DOCUMENT RESUME

ED 136 011 CE 010 049

| | |
|---|---|
| AUTHOR | Goodwin, Leonard |
| TITLE | What Has Been Learned from the Work Incentive Program and Related Experiences: A Review of Research with Policy Implications. Final Report. |
| INSTITUTION | Worcester Polytechnic Inst., Mass. |
| SPONS AGENCY | Employment and Training Administration (DOL), Washington, D.C. |
| PUB DATE | Feb 77 |
| CONTRACT | DLPO-51-25-76-01 |
| NOTE | 122p.; This research was developed by the Dept. of Social Science and Policy Studies |
| AVAILABLE FROM | National Technical Information Service, Springfield, Va. 22151 ($3.00) |
| EDRS PRICE | MF-$0.83 HC-$6.01 Plus Postage. |
| DESCRIPTORS | Economically Disadvantaged; Employment Programs; Family Influence; Financial Needs; *Job Training; Labor Force; Labor Market; Literature Reviews; *Low Income Groups; *Manpower Development; *Manpower Needs; Motivation; Occupational Surveys; Research Reviews (Publications); Surveys; *Welfare Recipients; *Work Attitudes |
| IDENTIFIERS | Work Incentive Program |

ABSTRACT

Selected research on the Work Incentive Program (WIN), legislated in 1967, and related research on low income families are reviewed with the aim of gathering empirical findings which illuminate the factors affecting WIN results and to contribute to discussion of future welfare, work training, and employment policies. Areas of research and discussion include the following: Work potential and work orientations of welfare persons, impact of WIN (input-output emphasis and process emphasis), altering work incentives, family structure and personal motivation, and policy alternatives in historical perspective. Results presented show that (1) welfare participants want to work, but substantial barriers (including poor health, low skills, need for child care) stand in the way of continuing labor force participation; (2) WIN has a beneficial effect upon some of those persons who receive services, but it is not clear which aspects of the WIN effort provide these beneficial results; (3) work-for-relief efforts are not cost effective; (4) when public service jobs are provided for welfare recipients, the recipients function very well, according to their work supervisors and self-evaluation; and (5) without provision of more jobs at which heads of households can earn sufficient wages to support their families above the poverty level, WIN can have only a marginal impact on the welfare situation. A nine-page annotated bibliography is appended. (TA)

Documents acquired by ERIC include many informal unpublished materials not available from other sources. ERIC makes every effort to obtain the best copy available. Nevertheless, items of marginal reproducibility are often encountered and this affects the quality of the microfiche and hardcopy reproductions ERIC makes available via the ERIC Document Reproduction Service (EDRS). EDRS is not responsible for the quality of the original document. Reproductions supplied by EDRS are the best that can be made from the original.

ED136011

# WHAT HAS BEEN LEARNED FROM THE WORK INCENTIVE PROGRAM AND RELATED EXPERIENCES: A REVIEW OF RESEARCH WITH POLICY IMPLICATIONS

Final Report

Submitted to

Office of Research and Development
Employment and Training Administration
U.S. Department of Labor

Leonard Goodwin, Head
Department of Social Science and Policy Studies
Worcester Polytechnic Institute
Worcester, Massachusetts 01609

February 1977

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

This report was prepared under P.O. 51-25-76-01 for the Employment and Training Administration, U. S. Department of Labor, under the authority of the Social Security Act. Researchers undertaking such projects under the Government sponsorship are encouraged to express their own judgment. Interpretations or viewpoints stated in this document do not necessarily represent the official position or policy of the Department of Labor.

CE 010 049

| BIBLIOGRAPHIC DATA SHEET | 1. Report No. DLMA 51-25-76-01 | 2. | 3. Recipient's Accession No. |
|---|---|---|---|
| 4. Title and Subtitle: What has been Learned from the Work Incentive Program and Related Experiences: A Review of Research with Policy Implications | | | 5. Report Date: February 1977<br>6. |
| 7. Author(s): Leonard Goodwin | | | 8. Performing Organization Rept. No. |
| 9. Performing Organization Name and Address: Head, Department of Social Science & Policy Studies, Worcester Polytechnic Institute, Worcester, Massachusetts 01609 | | | 10. Project/Task/Work Unit No.<br>11. Contract/Grant No. DLPO 51-25-76-01 |
| 12. Sponsoring Organization Name and Address: U.S. Department of Labor, Employment and Training Administration, Office of Research and Development, 601 D Street, N.W., Washington, D.C. 20213 | | | 13. Type of Report & Period Covered: Final<br>14. |

15. Supplementary Notes

16. Abstracts: This document reviews research carried out on the Work Incentive Program and related efforts. Results show that welfare participants want to work, but substantial barriers (including poor health, low skills, need for child care) stand in the way of continuing labor force participation. WIN has a beneficial effect upon some of those persons who receive services. It is not clear just which aspects of WIN efforts provide these beneficial results. Work-for-relief efforts are not cost effective. When public service jobs are provided for welfare recipients, the recipients function very well according to their work supervisors and themselves. Without provision of more jobs at which heads of households can earn sufficient money to support their families above the poverty level, WIN can have only a marginal impact on the welfare situation.

17. Key Words and Document Analysis. 17a. Descriptors: Education, Employment, Incentives, Social Welfare, Surveys

17b. Identifiers/Open-Ended Terms: Work Incentive Program, Aid to Families with Dependent Children, Training

17c. COSATI Field/Group: 5I, 5K

| 18. Availability Statement: Distribution is unlimited. Available from National Technical Information Service, Springfield, Va. 22151. | 19. Security Class (This Report): UNCLASSIFIED | 21. No. of Pages: 120 |
|---|---|---|
| | 20. Security Class (This Page): UNCLASSIFIED | 22. Price: $3.00 |

FORM NTIS-35 (REV. 3-72) THIS FORM MAY BE REPRODUCED USCOMM-DC 14952-P72

CONTENTS


| | | Page |
|---|---|---|
| Chapter 1. | Introduction and Summary. . . . . | 1 |
| Chapter 2. | Work Potential and Work Orientations of Welfare Persons . . . . . | 11 |
| Chapter 3. | Impact of WIN:Input-Output Emphasis . . . . . | 33 |
| Chapter 4. | Impact of WIN:Process Emphasis. . . . . | 53 |
| Chapter 5. | Altering Work Incentives. . . . . | 66 |
| Chapter 6. | Family Structure and Personal Motivation. . . . . | 83 |
| Chapter 7. | Policy Alternatives in Historical Perspective . . . . | 93 |
| Annotated Bibliography. . . . . | | 110 |

# CHAPTER 1

## INTRODUCTION AND SUMMARY

The Work Incentive Program (WIN), legislated in 1967, has sought to put welfare recipients to work. Initially, a variety of educational and training services were provided, with participants spending as much as a year in the program. More recently, education and training have been reduced in favor of immediate job placement. This document reviews selected research on WIN efforts, funded primarily by the Department of Labor, as well as related research on low income families. The aim is to draw together empirical findings which illuminate the factors affecting WIN results and contribute to discussion of future welfare, work training and employment policies.

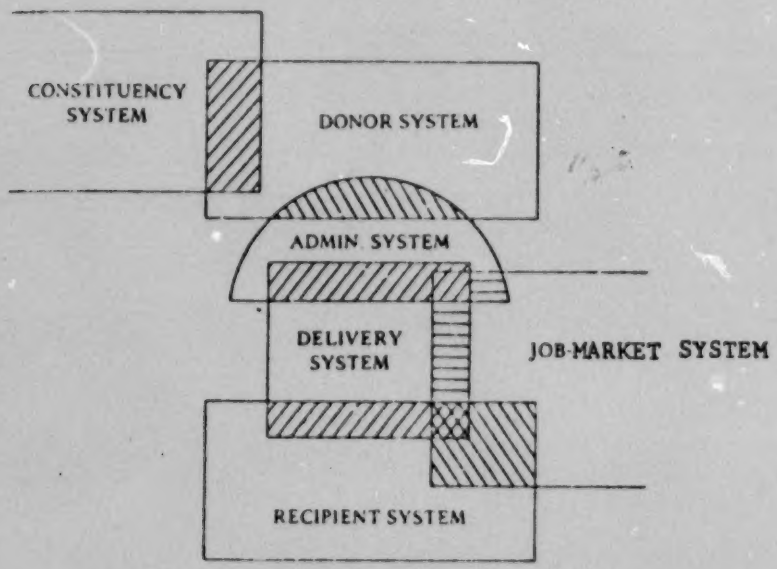
### Organizing the Research Studies

There are numerous ways to organize discussion of the research efforts. One way is chronologically. A particularly illuminating way, however, is to examine them within a framework that shows the various systems affecting WIN and welfare operations.

Two systems immediately come to mind. The first is the donor system. It is made up of those who define and provide resources for WIN, namely, Congress and the Executive Office. See Figure 1. There is also the recipient system. It comprises WIN enrollees who are granted funds, training, or services, and are subject to the requirements set by the donor system.

Two intermediary systems may be distinguished. The administrative system includes those charged with overall responsibility for administering the various aspects of WIN, including the Departments of Labor (DOL),

FIGURE 1. Systems Involved in Operation of a National Public Program*




*Cross-hatched areas represent important interactions among systems.

SOURCE: Leonard Goodwin, "Bridging the Gap Between Social Research and Public Policy: Welfare, a Case in Point," *Journal of Applied Behavioral Science*, Vol. 9, No. 1, 1973, pp. 85-114. Reproduced by special permission from the *Journal of Applied Behavioral Research*, copyright 1973 by the NTL Institute for Applied Behavioral Science.

and Health, Education, and Welfare (HEW). The delivery system includes the staff of local WIN offices. There is also the job market system to be considered and the constituency system, representing groups who influence the donor system.

Major interactions among systems are indicated by the cross-hatched areas in Figure 1. While recipients are also constituents of the donor system, there is relatively weak interaction in the welfare situation as compared, for example, with the social security situation. The figure, in any case, is meant to provide only a rough and convenient approximation to reality.

Much of the research reviewed here has focused on characteristics of members of the recipient system and interactions among members of the recipient, delivery, and job market systems. Such a focus was eminently reasonable. When WIN was initiated nine years ago, there were serious unresolved questions about the characteristics of welfare recipients in relation to their participation in the work force. It was not clear that recipients shared a strong work ethic or what other factors affected their trainability and work effort. Hence, much of the research focused on the labor force activity of welfare persons and the way in which the WIN effort affected that activity. That research is reviewed in the next three chapters. Subsequent chapters deal with what is known about the results of offering jobs to welfare recipients, the importance of family structure and personal motivation in welfare dependence, and the policy significance of the research findings when viewed in historical perspective of federal efforts to deal with welfare and unemployment.

The present chapter briefly summarizes the research review. It also serves as an introduction to that review, encouraging direct examination of the chapters from which the conclusions and implications are drawn.

## Research Conclusions

Listed below are the major conclusions that emerge from the research studies reviewed. Following each conclusion is the chapter in which the relevant studies appear.

1. In general, welfare recipients and other low income persons (along with most Americans) have a strong work ethic, want to work and, when feasible, do work. There is no study which shows that a significant segment of the American population prefers indolence to work. (Chapter 2)

2. Substantial barriers stand in the way of welfare recipients participating in the present job market system. These include lack of skills, poor health, need for child care, and lack of jobs at which they can earn enough to support their families. (Chapter 2)

3. Several studies have sought to locate a group of persons similar to welfare recipients in most respects but not on welfare. The studies failed to locate such a group. Those on welfare have less education, less resources and larger families than other low income persons. (Chapter 2)

4. WIN is successful in helping some welfare recipients improve their earnings and length of time in jobs. This help occurs only as these persons obtain some kind of services from WIN and are not merely referred directly to jobs. (Chapters 3 and 4)

5. It has not been established just what aspects of the WIN effort are responsible for helping trainees obtain and hold jobs. The formal categories of help, such as, "education," or "vocational training," or "on-the-job training" do not seem to signify the important events that help certain trainees improve their work effort over the longer run. A closer look at what happens in the

WIN experience itself is needed. (Chapter 3)

6. In spite of the help WIN offers, it cannot of itself resolve the welfare issue. The training provided does not enable large numbers of welfare recipients to obtain work in the regular job market, allowing them to leave the welfare rolls. Moreover, those who enter WIN and fail to obtain jobs may be harmed by becoming more dependent upon welfare than when they entered. (Chapters 3 and 4)

7. Efforts to encourage employment of more welfare recipients by giving tax credits to businesses hiring recipients, by not deducting all the earnings of recipients from their welfare grants, and by imposing stiffer work requirements have had very limited impact. These efforts do little to change the job market situation faced by welfare recipients. (Chapter 5)

8. Work-for-relief efforts (merely working off one's relief payments in a makeshift job) are costly, inefficient, and resented by work supervisors as well as participants. On the other hand, provision of publicly supported jobs for welfare recipients has demonstrated that significant numbers of welfare recipients are willing to work and can perform competently in regular jobs over a period of time. The cost of providing those jobs is more than the cost of outright welfare to recipients. Relatively few persons who perform well on those jobs find equivalent jobs in the regular work force, suggesting limitations in the job market system. (Chapter 5)

9. There is considerable movement of persons during any year not only on and off the welfare rolls, but above and below the poverty level. However, low income families headed by women

(and especially black women) are substantially less likely to leave poverty than those headed by men. (Chapter 2)

10. Relatively little is known about the factors influencing low income men to stay with or desert their families. There is reason to believe that desertion would be less likely if the men could earn enough to support their families adequately. (Chapter 6)

## Policy and Research Implications

A major implication of the research findings is that the locus of the welfare problem is not the welfare recipients as such. True enough, persons receive the welfare checks. But the evidence is that welfare recipients are willing to work and do work; they are, however, unable to command salaries at which they can support their families. The characteristics of the job market system are such that they cannot obtain work which leads to finanacial independence.

The WIN effort, as it involves training and supportive social services, helps some recipients. It improves their chances of obtaining and holding better jobs. But the effect is small compared to the total number of adult welfare recipients. It should be possible to increase this effect, using a different research approach than in the past (as mentioned in a moment) to delineate those aspects of WIN which are of greatest help to trainees. But improvement in the delivery system with no change in the job market system can do little to change the welfare situation.

Given this outlook, there are at least three policy options open:

1. Stop trying to train welfare recipients at all, since it has only small effects; cut back on benefits paid welfare recipients and raise eligibility standards so that more persons will

take low paid jobs in the current job market even if it means that they will be living below the poverty level.

2. Keep the status quo, whereby welfare payments to 3 or 4 million families is accepted as normal, some training is offered some recipients, and supplementary benefits such as food stamps are continued; but no change is attempted in the job market system.

3. Attempt a major change in the job market by guaranteeing work to those who are willing and able but cannot find employment, while guaranteeing an income to those unable to work.

These different options reflect different value commitments. Research cannot determine which values are better, but it can help illuminate the consequences of choosing one rather than another option. A consequence of following either of the first two options is that a substantial number of persons are relegated to the bottom of the heap with little opportunity to rise through their own efforts. While research findings show a substantial yearly movement of persons above and below the poverty line in the current job market system, female headed families, especially black female headed families, show very little mobility. Members of those households will have little choice but to remain poor and disadvantaged under policies one or two.

Neither of those options, moreover, provides any additional incentive for the low income male to stay with his family.* Research indicates

---

*The current welfare program that makes payments to families where there is an employable father, AFDC-U, is ineffective in keeping families intact (see, Wiseman, 1976 and Chapter 6). It is a very small program, in any case, with benefits cut off as soon as the father works more than 100 hours per month.

that the stability of a low income family is significantly increased if the father has a job. When low income families stay intact there is a much greater chance of their moving out of poverty. Policy option 3 is explicitly aimed at providing jobs not only for welfare mothers but also for low income men who might then be more inclined to stay with their families.

Any major effort at subsidized jobs will be more expensive than the current welfare effort. It may be appropriate to consider a guaranteed job program not as a welfare program at all but as something that goes into operation prior to going on welfare. That is, the jobs become available to unemployed persons in financial straits. Only if persons cannot hold such a job (e.g. because of illness, lack of child care arrangements) do they go on welfare.

A guaranteed jobs program could have major repercussions on the job market system if the wages were at all substantial. Workers might leave low paid jobs in the private sector for the subsidized ones. It would be useful to initiate a well designed experiment to test the effects of a guaranteed job and guaranteed income program. The possibility along with the other policy options are discussed briefly in Chapter 7. The major point to note here is that the choice of one or another option should be based on the recognition that many welfare recipients will go to work when suitable jobs, such as those that were offered in public employment programs (see Chapter 5), are available.

Research on WIN, as indicated above, has been relevant to policy issues. The studies have had their flaws. Many of them are limited with respect to sampling the data analysis, as discussed in subsequent chapters. But viewed together, they clearly delineate the pattern of findings just presented.

In one important respect, the research findings are deficient. They do not satisfactorily illuminate what is happening in WIN which accounts for its helping certain participants. Much of the research has been statistical, looking at over-all results, without considering in detail the kinds of interactions between staff and participants. The quality of these interactions may be of great significance in helping participants move into the workforce. It is proposed, therefore, that participant-observation studies be conducted in which the researchers spend time working in WIN alongside other staff.

Virtually all the research reviewed here focuses on the systems in the lower portion of Figure 1, the delivery, recipient and job market systems. It would be useful to consider the administrative and donor systems as well, especially examining how their beliefs about the way WIN operates and what it can accomplish correspond to the beliefs and experiences of members in the other systems. It would be of even greater use to develop a research effort which brought together members of the different systems to compare their beliefs with one another and with empirical data about WIN and the job market. From this kind of interaction could emerge improved policies and program activities.

Coming finally to specific proposals about WIN activities, it is necessary to take seriously the finding in Chapter 4 that failure to obtain a job after participating in WIN can hurt people, can make them less willing to try to obtain work. A similar discouragement effect probably follows among WIN graduates who discover that they can get only the same kind of jobs that they had before. It is better for WIN to provide sufficient services to a smaller number of participants who then have a good chance of improving their job situation than to provide insufficient services to a great number of participants who are likely to

experience no improvement or another failure in the job market. Given the current situation, WIN would serve well as a small, quality program. If a guaranteed jobs program were initiated, then WIN could serve well as a large, quality program.

## CHAPTER 2

## WORK POTENTIAL AND WORK ORIENTATIONS OF WELFARE PERSONS

A number of research studies focus on the experiences of welfare recipients in the labor force--interactions between members of the recipient system with the job market system as seen in Figure 1 in Chapter 1. While a major concern is with WIN enrollees, it is important to consider work experiences of welfare and low income adults in general.

Welfare recipients clearly do not earn sufficient money on their own to raise their families above the poverty level. The question is whether they could earn enough if they worked harder or if certain conditions were altered. Put another way, what potential do adult recipients have for earning enough money to support their families?

### The Earning Potential of Welfare Recipients

An early nationwide study of characteristics of 11,000 female welfare recipients and former recipients carried out for the Department of Health, Education and Welfare (HEW) indicated that the adults had relatively little education, low job skills and had numerous health problems (Levinson, 1970; Meyers & McIntyre, 1969).* Their potential for earning enough to support their families was seen as low. Even so, about 1/3 of the group that had received welfare continuously for the previous three years had worked at some time during that period. (Meyers and McIntyre, p. 113).

These data were gathered through personal interviews with the sample of recipients. The question might be raised as to whether their

*Citations in the text are to author and page number. The full citation appears in the Annotated Bibliography arranged alphabetically by author.

responses, especially those on health status, could be taken at face value. Were these welfare recipients merely finding excuses for not working even more than they did? It is necessary to look at different approaches.

Another approach to the employment potential of welfare recipients was taken by Leonard Hausman in a doctoral dissertation sponsored by the Department of Labor (DOL) (1969). He used national data on the characteristics of men and women receiving Aid to Families with Dependent Children (AFDC) and national data indicating the earnings of persons in the kinds of occupations that the welfare recipients had previously engaged in. The point was to determine how many of the welfare recipients, given their educational level and occupational category, could be expected to earn enough money to meet their level of need, based upon family size, and hence be able to leave welfare. Hausman found that about two-thirds of the female and one-third of the male recipients could probably not earn enough on their own to support their families. (p. 5). (Male recipients are less than 10% of AFDC heads of household recipients.)

There are limitations to the study. The calculations ignore individual differences among welfare recipients other than sex, education, and occupation. Also ignored are issues of health and psychological orientation. Hausman is aware that the estimates of need and income are based upon some questionable assumptions. The study does indicate, nevertheless, that the low education and low skill of welfare recipients lessens their chances of obtaining jobs at which they could earn enough to support their families.

Another source of evidence about the employability of welfare recipients is the judgments made by those referring and registering welfare recipients for participation in WIN. Only about 10% of adult recipients

are regarded as ready to participate in WIN. That is, 328,000 welfare recipients were certified as entering WIN in FY 1975, while there continued to be over 3 million heads of households receiving AFDC (U.S. Department of Labor, 1976 p. 3).* It is not clear how many of those certified include the 16% of AFDC recipients who work anyway. If none were included, it would still mean that about 3/4 of the AFDC adults (100% - 16% employed - 10% in WIN) were regarded as unsuited for employment or training because of such problems as poor health, and lack of child care arrangements.

The further question is whether those making the judgments were being "soft", were not realistically judging the work potential of welfare recipients. Or put another way, are there great numbers of welfare recipients who complain of illness and disabilities but are relatively healthy? Some light is thrown on this issue by the physical examinations carried out by teams of experts in connection with the New York State effort to have welfare recipients work for their relief payments. Of 10,000 persons assessed for work in New York City, 65% were found to be medically disabled (Gupte, 1973). It is not altogether surprising that persons who live in conditions of poverty, with inadequate diet and health care, suffer medical difficulties.

This does not necessarily mean that all these difficulties are irremediable. A pilot study sponsored by DOL and headed by a medical doctor, Daphne Roe, suggests that at least some persons can be helped (1975). Detailed physical examinations and some psychological evaluations were carried out on 59 women and 12 men on welfare in upper New York State.

---

*Some increase in WIN participation would probably occur if the program was funded at a higher level--only $220 million was allocated in fiscal year 1975 for supported work and training.

Among the most frequent difficulties encountered were dental decay (including ill fitting dentures), gross obesity, and emotional disturbances (p. 2). A wide variety of other physical difficulties were evident, ranging from anemia to the need for eye glasses (p. 89ff.). By providing medical treatment along with rehabilitation and work counselling it was possible to help about 15% of these persons find jobs or stay on the job (p. 14). Since the pilot remedial effort only lasted six months, long term results of health intervention are not available. An expanded effort is currently under way.

Conclusions regarding the potential of welfare mothers to work their way out of welfare and poverty are given a firmer foundation by considering Frank Levy's analysis of a study of a national sample of 5,000 low income families (1976). The study, conducted from the University of Michigan, followed these families over a five year period, asking detailed questions about work and income. Levy's prime concern was with who rises above poverty during those five years and why. (He deducts welfare payments from income in calculating the poverty level.)

A striking finding is that there are significant numbers of persons moving out of poverty as well as moving into it. That is, there is a flow, rather than a stagnant pool of the same poor people over the years. Thus, 58% of the "target population"--nonaged (under 60 years old) and nondisabled persons who are below the poverty level in 1967--are out of poverty in 1973 (p. 9). The chance of female heads of households leaving poverty is much less than for male heads of household. Thus the chance of the typical male family head in the target population of staying in poverty between 1967 and 1973 was 46% compared with 63% for the typical white female head of household and a striking 75% chance for the nonwhite female head of household (p. 107). The reason has to do

with the lower earning power of women and, of course, the possibility that in a male headed household the wife also will work. Intact households have a potential economic advantage.

The escape from welfare for the female head of household may occur because of increased child support money from the separated father, changes in family composition--e.g. children growing up and leaving--improvement in health that allows for greater work effort.* But the overall picture for this woman, especially if she is black, with respect to upward economic mobility is not bright. Even when working full time, her earnings are not generally sufficient to raise the living standard of her large family very high (pp. 35, 46).

This does not mean, of course, that no female head of household on welfare earns her way out of the situation. Wiseman (1976) examined a sample of about 1,500 AFDC cases covering the years 1967 through 1972 in Alameda County, California. He used a multivariate analysis to determine the factors which affected the movement of mothers off welfare and out of poverty. He found that women who had recent job experience were much more likely to leave welfare and poverty (pp. 39, 45). The absolute number here is small. Thus, Wiseman estimated that the probability of a welfare recipient leaving the rolls during a three month period was about 2 in 100 if she had no previous work experience, but was about double that if she had such experience (p. 42). Wiseman also found, in agreement with other studies, that movement of mothers off welfare is hindered if they have large families and are black (p. 44).

---

*Escape from poverty is a better indicator than "escape from welfare", because welfare recipients can be dropped from the rolls for administrative reasons while still in poverty--e.g. men who work more than 100 hours per month are dropped from welfare regardless of earnings.

Friedman and Hausman, using the same Michigan data as Levy, came up with additional findings (1975). Their concern is with the variability in earnings. This is important because it is this variability which leads families into or out of welfare and poverty. Variability among males is related to the kind of industry in which they participate. There is greater variability for white males in transportation, communication and utilities jobs, for example, while lesser variability in earnings for black males in such jobs (p. 172).

For black males, variability in earnings goes down the longer spouses are in the household, suggesting that greater family stability is associated with greater job stability (p. 172). These data also suggest the possibility that men with families are less likely to risk job loss in order to try for better jobs. Availability of a guaranteed income or job might increase such risk taking (see Chapter 6).

Among female heads of household, variability in earnings increases with job training, perhaps indicating that they found better jobs (p. 172). These kinds of findings illuminate the recipient-job market interaction, and suggest areas for further investigation in seeking to maximize the potential of low income workers, especially female workers, moving out of poverty.

The data just presented clearly enough show that a substantial number of heads of households are unable at given times to earn enough to support their families because of such matters as job market conditions, lack of skills, poor health, need for child care. What still is at issue is whether these persons have contributed indirectly to their own conditions by perhaps having deviant psychological characteristics or values. For example, they may have failed to gain work skills because of an inappropriate time perspective (i.e. not planning ahead),

or lack of work ethic.

It also is not clear whether some persons go on welfare in a given locale while others in the same position do not. Are welfare recipients the ones among the poor who prefer a handout, while others in the very same social-economic situation prefer to make it on their own, as difficult as that might be?

Characteristics of Welfare Recipients and Other Low Income Persons

Miller and Ferman (1972) conducted a study in Detroit to compare the job experiences of AFDC recipients with the experiences of persons having similar characteristics but not on AFDC. The adult (male and female) AFDC recipients sampled were between 22 and 55 years of age and earning $100 per month or more (p. 27). A total of 422 interviews were completed. The comparison group was chosen from census tracts in known low income areas of Detroit. Eligible respondents were identified in doorstep interviews by their heading a household and working at a job that was low paid--$2.50 per hour or less (p. 34). A total of 507 of these interviews was completed. Because the poor in Detroit, as chosen by census tracts, are predominantly black, and because the sample is so predominantly black, no analysis by race is offered by the authors.

There typically are sampling problems in studies of low income and welfare persons because of difficulties in gaining permission of welfare agencies and recipients for interviews and in locating poor persons. The authors are aware of limitations in their own efforts (p. 37) and while the results cannot, in a strict sense, be generalized to all Detroit much less the country, they contribute to a pattern of findings that emerges from this and other studies.

Two general findings are clear from the data. Wages, kinds of jobs, as well as job goals and previous family background (e.g. whether

parents were divorced) do not differentiate welfare recipients from non-recipients (pp. 111ff, 163ff). What do distinguish the two groups are: higher levels of education among nonrecipients; fewer children among non-recipients (over half the recipient females have two to four children, whereas only one third of the comparison group has that manychildren); greater resources to fall back upon when laid off from work (only 5% of female recipients could fall back on savings, whereas 16% of nonrecipients could do so) (pp. 65, 141).

About two thirds of the welfare recipients and 80% of the non-recipients are working at least 35 hours per week (p. 120). Any marked increase in income for most of these heads of households, therefore, has to come from increased wages rather than increased hours of work. This confirms on the micro level what Levy found on the macro level: low income heads of households are not likely to leave poverty by increased hours of work because they already work regular hours (Levy, p. 44ff.). This study fails to locate a group of persons who are identical with welfare recipients and who are not on welfare.

Another study comparing female welfare recipients and low income working head of household mothers was carried out by Samuel Klausner in Camden, New Jersey in 1969 (1972). The aim originally was to compare WIN participants with the nonwelfare working mothers. And AFDC respondents were chosen from official welfare records on the basis of their fulfilling WIN referral requirements. (This restriction reduced the number of respondents available and required asking social workers for additional names which compromised the representativeness of the sample, see, volume II, p. A-2ff.) But finally, only 45 of the total of 447 welfare recipients interviewed actually entered WIN, voiding any meaningful study of WIN impact.

Selection of the nonwelfare comparison group was even more problematical with respect to representativeness than the welfare group. It was obtained by asking for names of low income persons from organizations dealing with them--e.g. the Public Housing Authority. A total of 102 low income working mothers were eventually interviewed, most of them residing in public housing (volume II, p. A-2ff.).

Unlike the Miller and Ferman sample of welfare recipients, those in Camden were not necessarily employed. Only one quarter had some earnings in 1969. In that sense they are more typical of the welfare population at large. What comes through clearly, again, in the Camden data is that the nonwelfare mothers have more resources than the welfare mothers. Thus, 31% of the former receive child support payments as against 19% of the welfare mothers, while 14% of the former receive social security payments as against 5% of the welfare mothers (p. VI-4). These findings might seem obvious in that a family has to be especially deprived in order to receive welfare. The point, however, is that researchers are unable to find especially deprived families who reject welfare.

Overall, the mothers on welfare have about the same monthly income as the working mothers but, as in the Detroit data, the size of household is smaller among working mothers--3.5 versus 4.7 persons per household (p. VI-8). The per capita income of welfare families is only about 60% of that of working families. There were a few working mothers who, monetarily, could have done as well or a little better on welfare than by working (p. VI-11). They were probably influenced not to go on welfare because of feelings of stigma associated with that program (p. VIII-7).

Measures of attitude toward welfare, jobs, and family size were made during the study. No major differences were observed between the welfare and nonwelfare groups (p. VI-11). In addition, an effort was

made to probe the deeper psychology of respondents. Projective measures were introduced, asking the person to draw a picture of a person and tell stories about other pictures (v.II, p. D7). Analysis of these kinds of responses (based upon standardized scoring procedures) enabled trained investigators to assess such matters as persons' ability to cope with difficulties and extent of future time perspective--concern with future consequences of present actions. Interestingly enough, the welfare group had more of a future time orientation than the other, running counter to the speculation of Banfield and others that lack of future orientation causally leads to poverty (v.II, p. D10). A test of intelligence also was administered, with results indicating that AFDC mothers scored lower than the other mothers, but were in the normal range (v.II, pp. D20, D32).

The attempt to discover whether welfare acceptance is associated with some gross psychological difference from others is certainly appropriate. The conclusion drawn from the results was that there was no evidence of gross psychological differences between recipients of welfare and others (v.II, p. D32). There were no significant relations between the psychological measures and work activity of the welfare mothers (v.II, p. D32). These negative findings suggest that welfare recipients are like other people, but suffer from more difficulties and fewer resources than others. Moreover, there is no evidence from either the Klausner or the Miller and Ferman studies of the existence of a unique and large group of persons who are identical to welfare recipients in education, earnings potential, monetary resources, and family size and who choose to reject welfare.

There are two other studies that compare welfare and nonwelfare groups. One was directed by Harold Feldman in upstate New York (1972). The other, which will be discussed first, was conducted by Thompson and

Miles. It involved interviews with about 6,000 persons who were supposed to represent low income and welfare heads of households across the country. Concern was with the orientations of respondents towards jobs and family life. The difficulty of sampling welfare persons, which is great enough at one site, is increased many times when numerous states and locales are involved.

Thompson and Miles were beset with difficulties in obtaining permission from welfare agencies to contact clients (v.4, p. 10ff). Their aim was to survey females who had been AFDC recipients for five years or more as well as those who had left AFDC because of employment. Other groups to be interviewed included men and women on General Assistance (welfare provided by local and state governments), those who had left those rolls, and low income heads of households who had not been on welfare. Lack of cooperation of some states in providing access to welfare records led to dropping them from the study, lessening the representativeness of the sample.

If representativeness of the welfare and former welfare sample from 17 sites is open to question, the sample of nonwelfare, low income heads of household is even more questionable. These were to be heads of families designated as poor by Department of Labor criteria at the same 17 sites (v.2, p. 6). Names of persons at the different sites were requested of such agencies as the Employment Service or public housing projects. When a respondent was unknown at the address provided by an agency, the interviewer might go to a nearby residence to see if the head of that household fit the criteria of the study (v.4, p. 16ff).

While the sample drawn is not representative of welfare and low income persons in general, to the extent that findings are consistent with other data on poor people, they can be taken as supporting the

validity of those data. Findings that are unusual would need to be checked in further research efforts.

Thompson and Miles attempted to determine if there were personality differences between welfare and nonwelfare adults, as well as personality factors that affected employment. They chose to use Cattell's Sixteen Personality Factor Questionnaire. This is a widely used instrument. Although data on its validity is not readily available (see Rorer, 1972), and there is no evidence relating scores on the questionnaire to work performance of welfare recipients, it is worthwhile to explore the usefulness of these kinds of measures. They administered the questionnaire to about half their total sample, and then stopped because of resistance to answering the questions (v.2, p. 84). The representativeness of the results is thereby thrown into question. But in any case, the most striking finding is that welfare recipients fall within the average range of scores, as specified by the test authors, on 12 of the personality variables (v.5, p. 56-7).

Deviations from the average occur with respect to feeling more suspicious of others and being more lacking in self-confidence. Such findings are readily explainable on the basis of AFDC recipients' negative social experiences, having to go on welfare in particular. Of greater significance is that welfare recipients are in the average range with respect to "undisciplined self-conflict," "tenseness," and "emotional stability". Welfare status is not directly connected with gross personality deviancy.

The authors do find some personality differences when a comparison is made between welfare recipients, former recipients who are now working, and low income persons never on welfare. They report that among white females the welfare recipients are less confident and less secure than

former recipients who are working or those never on welfare (v.2, p. 85). Specific data on this matter, including numbers of respondents, are not provided. But again, it makes sense that those who have failed in the work world are not as secure as those who have had some success. There is no indication of psychological pathology in such results.

Thompson and Miles organize their data so as to answer the questions of whether welfare recipients differ from nonrecipients or whether workers differ from nonworkers with respect to certain attitudinal responses or demographic characteristics. Attitudinal responses are usually in a dichotomous, agree-disagree format. These can provide some useful insights. Thus, among black females, 27% on welfare agreed that "I want to be a housewife, not a worker." Only 19% of the nonwelfare mothers agreed (v.3, p. 26). There is an important implication here, namely, that a substantial minority of welfare mothers are concerned about staying home and looking after their children.

Such a finding is consistent with that provided by Feldman. Sixty three percent of the women in his sample indicated positive relations with their children as their greatest source of satisfaction; only 3% mentioned a job (p. 135). Klausner in his study found a portion of women who preferred to stay at home, whom he called "traditionalists." Goodwin, in a study that will be discussed later on found that welfare women, except those in WIN, ranked the statement "getting along well with your family" higher than the statement "having a job that is well-paid" (1972, p. 149). WIN women gave the reverse ranking. These scattered findings suggest the need for a better understanding of the family-work relationship among low income women in designing more effective efforts to involve them in jobs.

Thompson and Miles find a positive relation between welfare status and delinquency of the children (v.3, p. ii). It is not possible to say from this analysis whether delinquency is associated with welfare acceptance as such or with the lower social-economic status of welfare families. Delinquency is unrelated to parents' work behavior. The work activities of welfare mothers did not interfere with their child oriented activities, such as helping children with their homework (v.3, p. ii).

While the Thompson and Miles findings are of some interest, their efforts could have been much more productive if they had done two things: 1) clustered the attitudinal items, rather than analyzing them one at a time; 2) conducted a multivariate analysis rather than merely presenting a large number of fourfold tables.

The latter two points will be examined briefly because the criticism applies to some degree to the Feldman and Klausner studies as well as some others to be mentioned. Moreover, the issues involved bear significantly on the design of future research that will move beyond the limitations of past studies. Information is lost by using dichotomous ratings (yes or no) for attitudinal items. It is better to use a rating scale of four or more steps. Responses to any individual item are usually accompanied by a great deal of error, which means that the responses have low reliability. That is, persons will tend to be inconsistent in answers to single questions because of ambiguities in the wording, etc. In order to counter this, one prefers to be able to average the ratings of several items that are measuring the same general issue.

A statistical procedure for "clustering items" needs to be introduced in order to make sure that the items are in fact measuring the same topic. By having several items, moreover, the meaning of the topic being measured is more clearly recognizable. Thompson and Miles did not

adopt this procedure. Hence, there is no way of knowing the reliability of any single item, such as, "I want to be a housewife, not a worker." In addition, this item might have clustered with others that would suggest a broad orientation toward life, family, and work. This broad orientation might have turned out to be labelled "family commitment."

The second point is that the way Thompson and Miles chose to present their data implies a multivariate analysis. That is, they wish to know what are the variables--including responses to attitudinal items and demographic characteristics such as educational level--that distinguish welfare from nonwelfare persons. Welfare versus nonwelfare should be the dependent variable and the others the independent variables in a multiple regression equation. The solving of the equation would then reveal the extent to which a possible orientation, such as "family commitment," is directly related to welfare status, with other variables, such as level of education, being controlled. Without this kind of multivariable analysis, it is not possible to tell, for one thing, whether certain attitudinal differences between welfare and nonwelfare persons are merely the result of educational differences. What the Thompson and Miles study has to offer, therefore, is some interesting insights rather than substantial conclusions on which to base policy.

The Feldman study complements certain findings already mentioned. He conducted interviews with about 1,300 female heads of household in upstate New York of whom about 400 previously had been on welfare and the others were at that time on welfare (1972, p. 17). Each family had to contain at least one teenager, but the heads were to exhibit different employment and marital statuses. Rather than searching for a comparison group of low income persons never on welfare, as in the Miller and Ferman study, Feldman compared those on welfare with those who had left

welfare. (The fact that a family was able to leave welfare, however, almost automatically means that they are better off than those on welfare, so that comparability is limited.)

Sampling for the study involved use of county welfare lists of both welfare and former welfare recipients. By including enough counties in the study, it was possible to obtain substantial numbers of respondents in the welfare-nonwelfare, work-nonwork, and husband-nonhusband categories (p. 17).

Feldman presents considerable demographic data about his sample, something which Thompson and Miles unaccountably fail to do. And we see again as in the Miller and Ferman, and Klausner studies that those who are employed have more resources to begin with. Thus Feldman found that the employed, ex-welfare mothers had the highest level of education in the sample (10.7 years) while those who were presently on welfare and unemployed had the lowest level of education (9.6 years)(p. 25). Nonemployed mothers had more preschool children than employed ones, and those on welfare had more preschoolers than those formerly on welfare (p. 39).

The ex-welfare mothers who had married and were working had substantially higher per capita family incomes than those mothers on welfare (p. 37). Here again, as in the Levy analysis, it is clear that a major way out of poverty for a low income mother is for her to combine her earnings with those of a husband. Not all the ex-welfare mothers worked. The per capita family income in those families was about the same as that of welfare families (p. 37). Presumably these mothers preferred to look after their husband and children than to earn additional income. And there is evidence that these women found more positive relationships with their husbands than employed women (p. 198). Whether a wife staying at home increases accord or whether marital discord encourages women to

go out and work cannot be determined from the data. The finding does support the need to develop a "family commitment" measure that would better elucidate the basis for labor force activity of mothers.

All mothers in the study, as mentioned earlier, gained a great deal of satisfaction from their children (p. 136). A series of items were asked about specific parent-child relations--how highly they (children) think of you--as well as how well the children get along with peers and how happy they are. While these items are divided into subgroups and scores of individuals are averaged, there is no evidence that a statistical clustering of these items was undertaken. The clustering appears to have been done on the basis of the investigator's best judgment, but not backed up by statistical analysis which would show that respondents really were answering the items in a similar fashion.

The responses do seem to be consistent and have face validity. They suggest that working mothers do not perceive their employment activities as having much of a negative effect on their children (p. 140). Nonworking mothers perceive a larger negative effect on their children if they worked. These perceptions did not seem to be influenced by whether there was a husband in the household or not (p. 176). (What the effects of working were from the child's viewpoint was not determined in the study).

When wives were asked about their relationships with their husbands, it was clear as just indicated that marital satisfaction was not enhanced by the wife's employment. The employed women on the other hand tended to be more aggressive and less docile than nonemployed women, perhaps threatening the male's feeling of security (pp. 206ff). These women saw their husbands as less effective than the women who were not employed. Feldman found that employed women gain considerable satisfac-

tion from their job (as well as from their children) and have more confidence in their abilities than nonworking mothers (p. 220).

A multivariate analysis would have more fully exploited the data Feldman gathered. For example, it could have been valuable to determine the extent to which the psychological characteristics of women (e.g. confidence in abilities) is related to work behavior when other factors such as education and number of children is controlled.

If the Feldman project was weak in its statistical analysis, it was the only one to look in depth at the life experiences of a group of women living in "Road Junction." Janet Fitchen, as part of the Feldman Project, entered this small, poor community in upper New York State originally as a tutor for the children (1971). She later used her acceptance in the community of 30 families as a basis for carrying out her detailed study of life activities and experiences there. Unlike the brief survey interviews, this kind of study provides more insight into the life style of poor persons living in a poor community.

Fitchen points out how family upheavals and lack of resources make it difficult to plan ahead and keep a long-term job. Hence there is a tendency to obtain low skilled janitorial or factory jobs rather than get training for jobs that pay more but require continuing and punctual attendance. Fitchen found these people to be insecure and to think poorly of themselves. She goes on: "This low self-image is derived from their cumulative failures in so many aspects of their lives, and is magnified and reinforced by their knowledge that society shuns them as 'trash' " (p. vi). The study does not deal directly with WIN or the experiences of WIN enrollees, and so is not of direct value for WIN policy. It does suggest the need for this kind of participant observation study that would bear on WIN experiences.

Even with all this evidence that recipients of welfare have less resources and more family responsibilities than nonwelfare recipients, it nevertheless may be argued that the recipients lack adequate psychological orientations toward work (not part of the traditional personality measures used in the studies mentioned) which may cause them not to exert themselves educationally or to gain job skills. A study carried out by Leonard Goodwin was aimed explicitly at the issue of comparing work orientations among the poor with those among middle class persons (1972).

Comparing Work Orientations

The study involved creation of nine clusters of items measuring various orientations toward work. One cluster was called the work ethic. It included 15 items rated on a four-step Agree-Disagree ladder. Among the items were: Hard work makes you a better person; I like to work; You have to work hard in order to get ahead. Each cluster was developed through extensive pretesting with poor groups, including welfare recipients. And the final measures were found to be applicable to and reliable for middle class as well as poor groups (p. 136ff).

One set of respondents consisted of 250 long-term welfare mothers in Baltimore and their teenage sons. Another set consisted of almost 800 middle class families in the city and suburbs of Baltimore, with separate interviews for mothers, fathers and teenage sons or daughters. A third set consisted of about 1,400 WIN participants at six different sites around the country. And a fourth set was the WIN staff at those six sites. Each of these groups rated the same items used to measure the several work orientations, while WIN staff and the suburban Baltimore respondents were asked in addition to give the ratings that they thought welfare persons in the WIN program would give.

The work ethic score for each of these groups was high. No statistically significant differences were found among the mean values given by any of the adult groups (p. 112). Several ways of checking for respondent bias were introduced. One consisted of having interviewers of different race, class status, and sex carry out the personal interviews among the Baltimore welfare recipients. It was found that recipients tended to give higher work ethic responses to middle class white interviewers than to black interviewers. Only the responses to the latter interviewers were used. There were still no significant differences between welfare respondents and others on the work ethic scale (p. 35).

Life goals, such as having a good job, having good family relations, having good health were rated on a four step ladder that said Best Way of Life at the top and Worst Way of Life at the bottom. The same goal items clustered for poor as for more affluent persons, and the average ratings of all the items taken together showed no significant differences among groups. Thus the content of life goals and work ethic are shared across socio-economic lines and the strength of commitment to these matters also is shared.

There were differences among groups with respect to other orientations. Welfare recipients had decidedly less confidence in their ability to succeed in the work world--tended to agree more strongly with such items as "Success in a job is mainly a matter of luck" (p. 83). They were strikingly more accepting of welfare--responding more positively to such statements as, "Would you go on welfare if you could not earn enough to support yourself and your family?" (p. 83). Goodwin explained these differences as the result of welfare recipients experiencing failure in the work world and indeed having to accept welfare. He concluded that while basic values such as the work ethic are shared across class lines,

beliefs about one's abilities or choices of action will depend upon the amount of success or failure one has experienced in the past.

While the Goodwin findings come from large numbers of individuals, it remains to have his measures tested further on a national sample of welfare and WIN participants and middle class respondents. Findings of low confidence of welfare people are consistent with those of Fitchen in her study of a small, poor community, those of Thompson and Miles, and those of Feldman.

In Summary

Research has shown the following about the orientations and work experiences of welfare recipients.

1. Welfare recipients do not differ markedly from other Americans with respect to general personality characteristics or with respect to the work ethic and basic life goals. Where differences do occur--e.g. welfare recipients having lower self-confidence--they can be attributed to the recipients continuing experience of failure.

2. There is no clearly differentiated group of poor persons who are just like welfare recipients but refuse to take welfare. Recipients generally have less education, less job potential, more medical difficulties, and more dependents than those not on welfare.

3. While there is substantial movement in and out of poverty, the chances of a low-income (and especially black) female head of household permanently moving out of poverty is much less than for a male headed family. This is not because welfare mothers refuse to work. Many of them do work for varying periods of time, but they are not able to command a high enough salary in relation to the number of people in their families.

4. Some welfare mothers prefer to remain home to take care of their families rather than work. While low income working mothers do not feel that they disadvantage their children by working, there is some evidence that working strains their relations with their husbands.

These results indicate that most persons are on welfare because they cannot earn enough in spite of their efforts to support their dependents. The next question is whether a work training program can help.

## CHAPTER 3

## IMPACT OF WIN: INPUT-OUTPUT EMPHASIS

Does WIN markedly help welfare recipients obtain jobs and leave welfare? This query moves the discussion from a concern only with the characteristics of the recipient and job market systems (Figure 1, Chapter 1) to a concern with how the components of the delivery system affect the characteristics of welfare recipients and their employability in the job market. Studies in this area are divided for convenience into two groups. The first, reviewed in this chapter, tends to emphasize how the characteristics of WIN participants and the WIN components (inputs) are related to subsequent work experiences (outputs) of those participants. The second group of studies, reviewed in Chapter 4, tends to emphasize what happends in the WIN experience and how it affects the orientations of participants.

One of the early studies trying to relate WIN participants' characteristics to success in WIN and the work force was carried out by Thompson and Miles (v. 5, 1972). It built upon their earlier effort, reviewed in the previous chapter, which delineated the characteristics of welfare recipients who obtained employment and left welfare as compared with recipients who stayed on welfare. Their approach was to see whether the same characteristics that distinguished persons who had left welfare would also distinguish successful WIN participants, those who obtained jobs and left welfare (p. 1). This was a reasonable approach, and 1200 black and white females entering WIN at thirty different sites became the initial subjects of the study.

The subjects were interviewed during a two-month period in the summer of 1970, again six months later and then 12 months after they had entered the program. By the time of the third interview, the number of respondents had shrunk to 920. Given the difficulties of maintaining a sample of this kind over time, this is a reasonable result.

The measure of success of WIN participants should have been related solely to their post-WIN experiences. But only half of the participants had left WIN by the end of 12 months. Hence, the measure of success included participation in WIN components. The highest success scores went to persons who had graduated from WIN and obtained well paying jobs. Intermediate scores went to those enrolled in various WIN components. Lowest scores went to persons who were back on welfare for "no good cause" (v.5, p. 12). The distribution of scores showed that only one quarter of the final sample was working, about one half was still in WIN, and one quarter had dropped out and was on welfare.

The analysis consisted of determining what other variables were associated with the success measure. It suffered from the same limitations as the earlier study by these authors: a lack of clustering items to form reliable attitudinal measures; dependence on dichotomous responses to questions; presentations of fourfold tables, looking at only two variables at a time rather than having a multivariable analysis.

The authors did offer a few correlations which suggested that the predictive ability of the variables under consideration was small. Thus, the self-confidence measure of the Sixteen Personality Factor Questionnaire was correlated only -0.12 with the success measure (p. 15). The attitudinal measures had little relation to success. There were two items that slightly distinguished black females who were successful from those who were not: strong belief about the importance of a steady job;

and, rejection of the belief that luck is more important than hard work for success.

Demographic variables seemed to have some effect on success. The higher the education of the enrollee when she entered WIN, the more likely that she was working afterward. (p. 25ff). Similarly, the more work experience an enrollee had before entering WIN, the more likely that she was working afterward (p. 28). These effects are not very strong, as seen in the fourfold tables, and they are hardly novel.

Thompson and Miles do present additional findings on the attitudes of enrollees toward WIN. They discover that participation in WIN has some beneficial effect on enrollees' feelings about themselves and on their children. But this is independent of whether they obtain jobs or not (p. 62). Overall, little light is thrown on the reasons for success of WIN participants.

Another study, directed by Ann Richardson (1975), remedied the defect of short range followup. It involved interviews with former WIN participants up to two years after they had left the program. The focus was on youth, because it was thought that young people provided a special problem. Thirteen sites were selected around the country on the basis of their having high or low dropout and placement rates for young enrollees. Each site was visited in 1973 in order to compile lists of names and addresses of persons 16-21 years old who had been in WIN during the period 1971 to 1973.

It was discovered at that point that the criteria for dropouts and to some extent placements were not consistent across sites--e.g. what at one site was called a "dropout" was classified as "other" at another site. Applying the same criteria across sites showed that youths were not dropping out at any greater rate than others and, moreover, that

there were very few participants under 18 years of age (p. 9). Hence, the sites chosen for study did not constitute a meaningful sample. Technically, the results cannot be generalized. But when seen in the perspective of other studies, these results contribute to certain general patterns of findings.

The basic data consist of interviews with 518 persons under the age of 22 who had participated in WIN up to two years prior to the interview. One of the striking findings was the great program differences across sites. For example, at site B (41 respondents) more than one third of the respondents had some vocational training. Only one tenth from site E (24 respondents) had such training. Such a finding is specially pertinent in relation to what happened to participants after leaving WIN. Almost nine tenths of those from site E entered laboring jobs, with none entering white collar jobs. From site B, on the other hand, only about 1/5 entered laboring jobs and almost half entered white collar jobs (pp. 36, 192). These kinds of findings suggest that different WIN sites adopt different styles with respect to training and placing enrollees in jobs. Such styles may be based on judgments about the local labor market, by requirements set by the WIN director's superiors, by resources available to the WIN site, etc. This wide site variation will be emphasized also in the Schiller studies to be mentioned in a moment. The point is that by pooling data from sites which are using very different approaches or operating in very different contexts, one may obscure positive relationships between training components and job achievements that are occurring at a few sites.

There is a complementary use of both tabular material and regression analysis in the Richardson study. The regression results show the extent to which WIN components, site, age, sex, etc., influence such

matters as job placement and wages. A positive relationship was found between immediate job placement and having participated in on-the-job training (OJT). For those enrollees across all sites who had OJT (N=52) there was a 15% greater chance that they were working following WIN termination than the chance of those in the sample as a whole (p. 190). (Or put another way, according to Richardson, while 46% of the total group of 518 respondents reported that they were working following WIN termination, 61% of those who had participated in OJT reported that they were working.) Participation in vocational education while in WIN increased employment afterward by 5% (p. 190). Being white, male and a high school graduate each added 5% to the probability of working immediately after WIN (p. 190).

A less sanguine picture emerges from consideration of longer term (30 months after leaving WIN) labor force activity. Participation in OJT increases the probability of longer term employment only 4% (pp. 121, 195). Participation in vocational education adds nothing to the probability of longer term employment (p. 195). None of the other WIN components have any independent and positive effect (p. 195). Small positive effects of being male, white and a high school graduate continue.

One can interpret the very meager impact of WIN components on the longer term employment of participants as being the result of poor sampling, heterogeneity of sites, and the youth of the participants. All these factors probably contribute to the result. There is another explanation which the author offers, and which also probably has some validity. She proposes that the initial advantages provided by OJT and vocational education "are later swamped by the more immediate circumstances of day-to-day living--factors such as employers' attitudes toward young, relatively inexperienced workers, labor market conditions,

and childbearing" (p.xiii).

There is one major affect on long term employment which is not stressed by Richardson. Those who were working at the time of WIN termination were 20% more likely to be working over the long term than the average member of the sample (p. 195). This occurs even while preWIN work experience has no bearing on subsequent employment. There is also a 5% increase in probability of long term work effort on the part of persons who spent 10 or more months in WIN (p. 195). Hence, WIN apparently has helped certain persons gain kinds of skills that enable them to obtain and hold on to jobs, even though it is not possible to identify those skills or trace the positive effects to participation in specific WIN components.

Before coming to any hard conclusions about WIN, it is necessary to consider the other studies that sought to relate participant characteristics and WIN training components to postWIN labor force activity. One of these was conducted by Bradley Schiller (1972). Data were collected during 1971-72 from 36 sites around the country chosen on the basis of differing unemployment rates, geographical location and effectiveness of programs as measured by an index which combined measures of the extent of employment preparation, job placement and quality of job placement among WIN participants. The precise method of site selection is not described in detail. In any case, about a week was spent at each site by Schiller and his colleagues in order to gather data about the site and to interview a total of 635 WIN persons. Presumably the latter represented a stratified, random sample of WIN current enrollees, graduates and dropouts (p. C-3). How this kind of sampling was accomplished is not described. Given the few numbers of WIN interviews at any one site it is difficult to see how one would obtain a representative sample of these

three categories of persons. (For example, there are only 40 interviews at the Los Angeles site where there were more than 6,000 enrollees.) As in the other studies, sampling difficulties would throw doubt on novel findings, if such were to be observed, but could help strengthen patterns of findings observed in other studies.

Schiller developed a means of measuring effectiveness of WIN sites based on criteria set by administrators on one hand and enrollees on the other hand. The measures were slightly different for these two groups, administrators giving greater emphasis to job placement and enrollees giving greater emphasis to employment preparation. The two other criteria were quality of job placement and completion of the WIN program (pp. 24-25). On the basis of interviews at the sites, Schiller created an effectiveness rating for each site and then tried to determine what factors were related to it. A wide range of effectiveness scores was obtained. And in the regression analysis, using first the administrator's view of effectiveness and then the enrollee's, the significant predictors were characteristics of the enrollees themselves (sex, education, race) and the amount of community support for WIN (p. 36). The program components of WIN did not significantly enter the equations.

The other major consideration was what affected the job placement of individual enrollees. The only variable connected with the WIN effort that approaches statistical significance was interagency relations--i.e. relations between the WIN office and the welfare office (p. 39). Measures of placement activity of WIN staff or supportive services did not significantly affect job placement. Another measure external to WIN which proved to be significant was the unemployment rate at each site (Table B-3). Hence, once again the variables that have some impact on job placement appear to be those outside the WIN effort itself.

There is some uncertainty as to the adequacy of the measure of job placement. It was apparently a dichotomous variable (working or not working) based upon a report of WIN staff about each participant in the study.* There may have been instances in which WIN dropouts who got jobs on their own were later classified by WIN staff as "successfully" placed by WIN. Such an occurrence would dilute the possibly significant effects of WIN training in the regression analysis. In trying to account for the quality of job placement for WIN participants, Schiller came up with the same finding that no WIN activities were significant (Table B-3) (and there is the same caveat about the accuracy of the data).

At the same time, Schiller reported that 76% of WIN enrollees who completed training obtained jobs at termination. Only 19% of those who dropped out of WIN prematurely had found jobs (p. 45). WIN, therefore, had a positive effect on those who stayed with it. The question arises as to why this kind of result did not appear in the regression equations. One reason is that the training variable in those equations was based upon respondents' subjective evaluation of how satisfied they felt with training, rather than on whether they had actually completed a training program.* Also, there were relatively few WIN enrollees who completed training (29%) so that errors in measurement on a small number of persons could have a marked effect in the regression analysis.

This first Schiller study emphasized the importance of factors external to WIN--unemployment rates, interagency relations--influencing job placement of participants. It also showed, as in the Richardson study, that overall WIN has a positive impact on some participants. The study

*This information was provided by Bradley Schiller in a letter of August 19, 1976.

was unable to connect that impact to participation in any of the WIN components. Do the subsequent more extensive studies establish this connection?

A second Schiller (1974) project focused primarily on the job search and work activity of two sets of WIN participants: those who had left the program by 1972; and those who left afterward. The former were designated as WIN I participants, with 72 of the 349 interviewed having been in the first Schiller study. Those who left WIN after 1972 were designated as WIN II participants. The distinction rests upon the implementation of the Talmadge amendments to the WIN legislation in 1972 which mandated greater emphasis on job placement and less emphasis on training.

A total of 571 persons were interviewed in 16 cities around the country between September, 1973 and February, 1974, covering a period of up to three years after WIN termination for some respondents (p. 2). No information was supplied on how the cities were chosen or the individuals sampled for interviews, except that 72 respondents were part of the earlier study. Presumably this was done on some reasonable basis.

A great deal of job search activity was found. The most frequently used sources for job leads were want ads, direct contact with employers, and friends (p. 21). But among those who got jobs, WIN was the most frequently used source of leads, accounting for one third of the jobs obtained (p. 26). Friends, relatives and direct contact with employers accounted for almost another half of the jobs, while the employment service accounted for only 6% (p. 26).

In the course of examining job search, the labor force activities of the sample were explored. Regression analyses were conducted, using as the dependent variable employment status of respondents (presumably at

time of interview). Males and the more educated showed significantly higher employment. But the effect was not of great magnitude. The variables of sex and education account for less than 6% of the total variance of employment scores (p. 32).

Vocational training did not significantly enter the equation. But this variable was measured only by asking respondents whether they had any vocational training since leaving high school.* The actual training they received in WIN, and whether they completed a program was not included. Hence the real impact of the variable is indeterminate in this study.

When a regression analysis was performed on the responses of 70 persons who had participated in the earlier Schiller study, and on whom there was longitudinal data, only one variable was a significant predictor of current employment, and that was their employment status at the time of the previous interview in 1971 (p. 54). As in the Richardson findings, those WIN participants who obtained jobs immediately tend to continue in gainful employment. In some manner, the WIN experience encourages some participants to obtain and hold jobs.

The latter conclusion is reinforced by considering the overall employment impact of WIN I versus WIN II in this second Schiller study. Out of a total of 337 WIN I persons interviewed, 215 had completed their employability plan. Of that group 83% were employed. Among those who had dropped out of WIN, only 34% were employed (p. 7). Among WIN II participants, no distinction was made between dropouts and completers of employability plans because Schiller found little in the way of employability plans in operation (p. 9). The fact that only 58% of the WIN II terminees were employed at time of interview (p. 7) suggests that WIN I training added something to the employment capability of welfare recipi-

*This information was provided by Bradley Schiller in a letter of August 19, 1976.

ents which was lost in WIN II.

The earnings of the WIN I and WIN II respondents are not presented. There are probably no significant differences because in a subsequent section where Schiller investigates the correlates of wages earned, membership in one or the other group is not reported as a significant variable. The variables that are significant in influencing wages among all respondents in full time jobs are sex and education. They only account, however, for about 17% of the variance in wages (p. 43). With respect to job tenure, the only significant predictor was the length of time since the person had left WIN (p. 49).

These findings add little new to an understanding of factors affecting employment of WIN participants. Schiller did point out that WIN staff consistently had emphasized the importance of "client motivation" in obtaining jobs (p. 34). This suggests that unmeasured variables are accounting for a large portion of the job success of WIN persons. It also is possible that by looking across many WIN sites one is "averaging out" significant results achieved at one or a few sites.

A study focusing on a single area, Ramsey County (St. Paul), Minnesota, was completed recently by Earl Hokenson et al. (1976). Personal interviews were conducted with 313 men and women in 1974 who had terminated WIN during 1970-72. This consituted the WIN I sample. The WIN II sample consisted of 508 men and women who had terminated the program since 1972.

The authors made an effort to measure attitudinal variables. These were intuitively reasonable. And one might expect the extent of WIN terminees employment to be related to the extent they maintained the work ethic, had confidence in their abilities, and had experienced job

satisfaction. The way in which the authors created these measures, however, appears inadequate. No evidence was offered, for example, on using statistical techniques to cluster the items assumed to be part of the "work ethic" (pp. 52ff.). The statistical reliability for that measure (the calculations of which are not presented) turned out to be so low as to make the measure meaningless (pp. 320ff.) The authors seem unaware that Goodwin (1972) already had developed reliable measures of work ethic and confidence in one's abilities.

The bulk of the authors' analysis consists of tables relating one variable at a time to successful or unsuccessful employment. At the end, multiple regression results were presented. Two dependent variables were used: employment at WIN termination; and, employment at time of interview. Separate equations were computed for WIN I males and females, and WIN II males and females, making eight equations altogether (pp. 324-325.).

The equations showed very few significant predictors of employment status. The self confidence measure had a significant but small effect only for WIN I males at termination. The health status of these men negatively affected their employment. Hokenson et al. pointed out that many of the WIN males suffered from alcoholism, drug use, mental health problems and police records (p. 35). The presence of a spouse in the home was positively related to employment of both men and women at WIN termination. Each of these effects is small. The authors do not present a stepwise multiple regression analysis to indicate the contribution of each variable to explaining the variance in employment scores. (The $R^2$ figures presented, around 0.25 for WIN I persons and 0.14 for WIN II persons, are not interpretable since they are based upon the contribution

of all 17 variables when only a few are statistically significant.)

The major point here is that such variables as WIN basic education, vocational training, and such demographic variables as education and family size do not affect employment at termination from WIN. Hokenson et al. found, however, that 84% of the women who completed vocational training in WIN I obtained jobs at termination. Only 43% of the 35 women who started but failed to complete vocational training got jobs. And merely 33% of the 69 women who did not enter vocational training got jobs at termination (p. 194). Similar results are observed for these women with respect to employment at follow up (p. 195). Among the WIN I men there is not a marked affect from vocational training, but that may be the result of relatively few entering that component, one quarter of 153 men (p. 194).

The question arises as to why vocational education did not show up as a significant predictor of employment in the multiple regression equations for WIN I females. The authors did not address the issue. It is likely that the distinction was not made between those who entered and those who completed vocational training. Combining those categories would dilute the statistical impact of vocational training on employment. It is also possible that other variables included in the equation, such as level of education, are related to the effects of training. Those women who seemed to WIN staff better able to profit from vocational training, including perhaps the better educated and more job experienced, might have been assigned to that component. It could have been useful to explore the relationship of training to employment in a stepwise multiple regression analysis.

In any case, there is another indication here that WIN may have had a positive impact. Along this same line, there is a sharp difference in earnings between WIN I and WIN II participants. The average monthly gross earnings at followup are more than $100 greater for those women who terminated WIN I with a job as compared with those who terminated WIN II with a job. Even those who terminated WIN I without a job, but had one at followup, were earning on the average $80 more per month (p. 309). A similar finding is reported for the men. There are no controls for education or other variables on these data. And it may only indicate that WIN II enrollees are less job ready than those entering WIN I. On the other hand, demographic data on the groups do not indicate marked differences (p. 170ff). Hence, again, as in the Schiller material, there is a hint of something positive happening in the WIN I effort which emphasized training.

Returning to the multiple regression equations, there was one really strong variable predicting employment at follow up. This was the employment status at time of WIN termination. Those who were employed at termination, males and females from both WIN I and WIN II, were more likely to be employed later on (p. 325). This corroborates the findings of Richardson and Schiller on this point. And because prior work activity is unrelated to employment after the WIN experience (pp. 324-5), there is some suggestion that the experience facilitated work activity. While these kinds of results from any single study are suspect, as they are corroborated by other studies, one is able to have more confidence in them.

Three other studies also add some evidence to the significance of the WIN effort as it involved some kind of training emphasis. The first was a follow up of 121 former WIN I participants in the Chicago program.

Under the direction of Audrey Smith et al. (1975) they were interviewed an average of 18 months after termination. A major finding was that the female participants had upgraded the status of their pre-WIN jobs. The males had not done this (p. 14). The authors attributed this to the fact that the women had received training whereas the men tended to get direct job placement (p. 12).

The second study is quite different, an econometric attempt by Ehrenberg and Hewlett (1975) to evaluate on a national basis the effect of WIN II in lowering AFDC payments. An advantage of this kind of effort, which views WIN results in relation to total AFDC costs, is that it takes into account displacement effects--the possibility that putting WIN enrollees to work merely displaces existing workers and sends them on to welfare. The authors carefully point out the limitations of the data (including possible reporting errors in the WIN II data) they use in coming to the tentative conclusion that WIN II lowers AFDC costs somewhat when there is some training provided to the participants (p. 3). They question the advisability of focusing all effort on placement of WIN participants and cutting back on training (p. 9).

The third study was carried out by Michael Wiseman (1976), previously mentioned in Chapter 2. It involved the collection of data from the cases of about 1,500 welfare mothers (AFDC) and 1,500 welfare fathers (AFDC-U) during the period 1967 through 1972. Random samples were drawn each year, with information gained about these persons extending for the following 12 months (pp. 20-21). Using multiple regression techniques, Wiseman sought to account for the employment experienced by these persons. Among mothers, employment was hindered by the presence of young children (p. 45). Previous job experience significantly improved chances of

subsequent employment (p. 45). But of most importance, he found a significant positive effect from previous employment training through WIN (p. 45). No breakdown of training components was possible from the data he had at hand.

The situation among the men was somewhat different. WIN training had no significant impact on subsequent employment (pp. 58-60). This is consistent with the tendency for WIN men to be placed directly in jobs--e.g. see A. Smith study just mentioned. A significant contributions was observed from the training the men received through other programs outside of WIN (pp. 58-60). Employment was significantly hindered by the hours limitation in the AFDC-U program--men cannot work more than 100 hours per month and still receive welfare.

Further hindrances were the experiences of being fired from or having to quit a previous job. Having other sources of income, on the other hand, increased employment possibilities. These findings suggest the possibility that as men have negative experiences in the work force they tend to lose confidence and withdraw from work activity. As they gain support--e.g. through having other sources of income--they are encouraged to risk further effort in trying to rise in the work force. This kind of interpretation will be expanded in Chapter 6.

In trying to draw together the findings reported in this chapter, it is appropriate to refer to the most extensive and sophisticated attempt to evaluate the impact of WIN that has just been reported by Schiller et al. (1976).* The study uses a comparison group against which

*The final report of this study was written by Bradley Schiller. The study, however, was carried out by three organizations, PTTA of which Schiller is research director, CAMIL, and KETRON. Hence Schiller is not totally responsible for the results, and in referring to the study it will be called the Schiller et al. study.

to view the impact of WIN II. Almost 2,500 participants and over 2,500 persons in the WIN registrant pool but not participating in the program were interviewed three times at 78 different sites across the country. The three waves of interviews were begun in March 1974 and ended in September 1975, providing a longitudinal perspective (pp. 1ff). The basis for selecting the sites was not given, but presumably this was a representative sample of all WIN sites. Data were presented to show that the sample characteristics were similar to characteristics of the national WIN population (pp. 50-56). The basic aim was to compare the subsequent job earnings (also weeks worked, weeks on welfare, and amount of the welfare grant) of those who participated in WIN with those who did not. A multiple regression technique was used to try and relate the dependent variables just mentioned to participation in program components and to demographic characteristics of the WIN groups. Measures were made in such a manner as to control for differences across sites (pp. 200ff).

The importance of a comparison group becomes apparent in viewing pre-WIN earnings. One year prior to entering WIN the comparison group and WIN participant group have similar earnings. Six months prior to entering WIN the participant group, unlike the comparison group, suffers a sharp loss in earnings. The subsequent post-WIN earnings of the WIN participants are, therefore, partly the result of these participants coming back to their normal earning power. This part of their earnings is controlled through use of the comparison group, and is not attributed to WIN (pp. 41ff, pp. 206ff).

Schiller et al. distinguished five levels of service provided by WIN as follows: 1) no services; 2) advice and effort in job placement;

3) education; 4) vocational training; 5) assignment to on-the-job training (OJT) or public service employment (PSE) (p. 117). Schiller et al. argued reasonably that persons receiving different levels of training should be considered separately. They found that for males only the fifth level of training significantly distinguished the WIN participants from the comparison group (p. 120). That is, those males assigned to OJT or PSE were earning about $1900 more per year than their counterparts during the follow up period.

Schiller et al. correctly presented a caveat with respect to those findings. Because the follow up period was only about 9 months, those 102 males (and 204 females) placed in OJT or PSE were still in subsidized employment (p. 119). There was no way to know whether their jobs would continue after the subsidy ran out or whether their earnings would remain the same. (Data from the previously mentioned Richardson (1975) study showed that the earnings impact of OJT tended to disappear after some 30 months.)

For women, the situation differed. There was a significant impact on earnings from vocational training (about $500 per year), a smaller one from the job placement effort (about $300 per year), as well as a major impact of about $1,400 per year from OJT or PSE (p. 120). (The latter impact was subject to the same caveat as for the men.) The overall results support evidence from other studies that WIN has a beneficial effect on job earnings.

There also was some indication that WIN lessened the welfare grant for women, and perhaps for men (pp. 120, 222ff). This finding complements that from the econometric study mentioned earlier (Ehrenberg and Hewlitt, 1975), using macro data, which concluded that WIN II was possibly respon-

sible for some lessening of AFDC costs when some training was provided enrollees.

These findings do not suggest that WIN is about to resolve the welfare issue. The possible reduction in welfare grant of $10 or $15 a month, or reduction in time on welfare of a few weeks for a small percentage of welfare recipients will not have major national impact. The fact that the program does have some positive effect, however, should not be ignored. The positive results could probably be increased if the variables affecting job success were better delineated. The Schiller et al. study is disappointing in this respect. In spite of three waves of interviews with more than 2,500 WIN participants and two visits to each of the 78 sites to examine program operations, there was little substantial data to indicate what was really happening at those sites that led to positive (and negative) impact on participants.

One might respond by pointing to the positive effects that have been shown at least for women through job placement advice and vocational training. Presumably increased efforts in these areas would lead to increased earnings of welfare mothers. If this were so, then, those sites in the study which offered more services should have WIN participants who showed higher job earnings. At this crucial point that the Schiller et al. study came up with a blank. There was no significant relationship found between the kind and amount of services offered at the sites and the subsequent earnings of WIN participants at those sites (pp. 259ff).

This suggests that the positive impact of WIN on enrollees is not being identified adequately by the labels given the service efforts--e.g. "vocational training." If there was a standard and significant effect from "vocational training," as such, then the average earnings of

graduates from sites with large programs should have been significantly greater than average earnings of graduates from sites where there were only small programs.

Under the label of "vocational training" there probably are different things happening within the same site as well as among sites, especially with regard to the quality of staff-enrollee interactions. Certain staff persons may be better able than others to provide participants with a cumulative set of successful experiences which enhance their skills and self-esteem and lead them into regular, higher paid employment. Consideration of these possibilities fell outside the task that Schiller et al. set for themselves. They did not conceptualize the quality of staff-enrollee interaction.

One reasonably might ask: After all this time don't we know what are the significant variables affecting the success of enrollees? The answer unfortunately is, No. The consistent finding from the earlier studies reviewed, including the two previous Schiller studies and the Hokenson, Richardson, Miles-Thompson studies is that the variables affecting success have not been well identified even when it was possible to show that WIN efforts in the gross seemed to help some participants.

## CHAPTER 4

## IMPACT OF WIN: PROCESS EMPHASIS

Given the limitations of statistical analyses of WIN, it is useful to think of in-depth explorations of the WIN operation. Participant observation studies might indicate how staff-enrollee interactions and other kinds of events affect the job success of which kinds of enrollees.* WIN research has not totally ignored these matters. The four studies discussed in this chapter make a start on these issues. Two of the studies were implemented in Chicago, Detroit, and Cleveland through a university in each city. The third study, mentioned earlier, was implemented by Goodwin at several urban WIN sites in order to relate work orientations to job earnings of WIN enrollees. The fourth study attempted to determine the impact of allowing trainees to use vouchers to purchase training.

The initial study carried out jointly by the three universities (School of Social Service Administration, University of Chicago; School of Social Work, University of Michigan; and School of Applied Social Sciences, Case Western Reserve University) aimed at understanding how decisions were made by the WIN staff, the WIN enrollee and the welfare caseworkers who made referrals to WIN. Many of the specific recommendations of the investigators are no longer relevant because WIN has under-

*For a discussion of research projects, including participant observation projects that might be carried out on WIN, see, Leonard Goodwin, "Proposed WIN Research Program," Submitted to the Office of Research and Development, Employment and Training Administration, U.S. Department of Labor, August 18, 1976.

gone major administrative changes since the period of October 1969 to June 1971. What is of continuing interest is the attempt to understand what was going on in the specific WIN programs. The investigators at the three sites used the same research design and measuring instruments so that comparison across the cities was possible. Since there were 3 teams of investigators involved, the report will be designated by the name of its editor William Reid (1972), with the addition of "et al."

Reid et al. developed flow charts for intake activity and the process by which enrollees move through the WIN program at each site. A two page description of how a "typical" female enrollee would move through her career in WIN helps make the diagrams more meaningful (pp. 28ff). In discussing each site, important historical events are illuminated. For example, in Chicago there were few referrals to WIN in the first two years of operation because the Department of Public Aid continued to run its own effort to help train welfare recipients (p. 38).

In Detroit, those who had worked at the welfare department on the training program that WIN replaced were transferred to the WIN program and the employment service. This created hard feelings among those left in the welfare department and raised difficulties in cooperation between the two agencies (p. 44). In Cleveland, the authors report a shortage of staff, with staff turnover running over 100% per year apparently because of low salaries and low autonomy at the work site (p. 50). These kinds of conditions undoubtedly affected WIN operations and the job success of WIN enrollees. Precisely how to relate unique characteristics at given sites to more general characteristics in order to aid in the understanding of the factors affecting job success of enrollees remains to be developed in a broader research study.

In order to get at the decisions made by key actors in the WIN effort, two waves of interviews were carried out with a total of 261 WIN enrollees, 152 public welfare caseworkers who referred persons to WIN, and 116 WIN team members (p. 75). Interviews with WIN participants occurred at the time of enrollment and about 8 or 10 months afterward.

Reid et al. developed a number of measuring instruments to get at the rationale used by case workers in referring AFDC recipients to WIN. They found that caseworkers were concerned about the age at which children could be left by their mother without harm. But the one attribute that was most frequently seen as crucial in referring AFDC recipients to WIN was the latter's positive "motivation" (p. 92). By factor analyzing responses to single items, Reid et al. came up with two measures that contributed to caseworker's referral decisions. The first consisted of three items including "client's motivation," and was called the "Job Potential Factor" (p. 93). The other consisted of three items, including "the ages of children in the family" and was called the "Child Orientation Factor" (p. 93). While insufficient information is given on the factor analysis results to judge the adequacy of the measures, they do have face validity.

The researchers found that the male caseworkers generally gave more emphasis to the job potential factor than female caseworkers. Among the latter, those who were 25 or younger were more concerned with job potential in referring welfare clients (p. 97). With respect to the child orientation, the sex of the caseworker did not enter as a major determinant. Instead, it was those caseworkers who saw poverty as arising from social conditions who were most concerned about the effect on the children of their mother being referred to WIN and work (p. 98). An

additional interesting technique introduced was to present caseworkers with five short case descriptions and ask them to indicate whether they would refer that hypothetical person to WIN, and why. Again, one of the important criteria for referral to WIN was high motivation to work on the part of the client (p. 105).

The researchers explored the perceptions of WIN team members about their clients. One result observed was that the manpower specialist was less "client centered" than other team members (p. 179). The researchers also considered the time that WIN participants spent with various team members and what they talked about. The results indicated that participants were talking to the different team members about the same topics, suggesting that the different team members were not playing unique roles (p. 182).

A set of hypothetical situations regarding WIN participants was distributed to team members. The question was what services would be recommended by the different team members to each of the hypothetical participants (p. 192). Job coaches were found, for example, to be more willing to place participants in long term training such as computer programming whereas manpower specialists were more likely to want to place enrollees in short term training for immediate jobs such as key punching (p. 193). The various findings and recommendations regarding the team are not directly relevant because of administrative changes in WIN. But again, the kinds of measures made could serve as the basis of a more thorough examination of what is happening in WIN today.

WIN participants were asked various questions about their expectations. It was found that only 19% expected to get off welfare as a result of WIN, although 59% anticipated that they would get a job (p. 113).

Data also were gathered from WIN records and certain site differences noted. In Detroit, 52% of the sample received neither education nor job training as compared with only 15% in Chicago and 44% in Cleveland who received neither of these services (p. 121).

The impact of these kinds of differences on job success of trainees could not be determined because so few of the trainees obtained jobs. Only 12 persons who completed their employability plan obtained jobs. Another 12 persons had jobs when they entered WIN. An additional 28 persons dropped out of WIN and took jobs (with 12 of those persons never having actually attended WIN) (p. 158).

The second study carried out by the three schools in Chicago, Detroit and Cleveland focused more intensely on WIN participants. It will be referred to as the Garvin et al. (1974) study. Emphasis was on the factors that encouraged or discouraged participation in WIN. About 1,200 persons were interviewed from September 1972 to January 1973, stratified at each city according to sex and whether they were currently enrolled in WIN, were new enrollees, or had terminated the program (p. 27). There was a 50% refusal rate among the WIN persons contacted to participate in the study. This might have distorted the results because the characteristics of the refusers were not known (p. 32). Characteristics of the interviewed group at each city, however, were not markedly different from all WIN participants in those cities (p. 37).

Of those in the sample who were just entering WIN, around 90% believed that their participation would help them get a job or a better job, and this was an important reason for being in the program (p. 40). Over 70% of respondents, however, indicated that there were some jobs they would not want, preferring to stay on welfare instead. These in-

cluded jobs like dishwasher and nurse's aide. The predominant reasons given for rejecting these jobs were low pay and the boring nature of the work (p. 41).

The interest in work by WIN participants, but at higher level jobs, was seen also in the aspirations set. Over half the respondents wanted jobs that called for professional or at least extensive training, whereas only 11% of respondents had held these kinds of jobs in the past (p. 43). The women in particular were more oriented toward professional jobs and less willing to settle for jobs requiring minimal training. The men showed more realism.

Among the jobs actually obtained by the WIN terminee sample, 18% required extensive training and 2% were of professional status. This was much below the expectations of WIN participants. On the other hand, the placement of 20% in higher level jobs compared favorably with the preWIN placement of only 11%. Again there was some indication from the overall results that WIN had helped, even though the help was not extraordinary.

The earnings expected by respondents as a result of their WIN training varied by sex. The median expected earnings of the men was $8,000 per year, while the women expected $6,000 per year (p. 50). These were not unreasonable levels, with the Department of Labor estimate for the lowest adequate family budget for 1971 set at $7,000 per year for a family of four (p. 60). The actual earnings of WIN terminees who had obtained jobs were $1,500 below expectations (pp. 53-54). This figure looks even worse when it is recognized that 43% of terminees did not obtain jobs (p. 55).

Another aspect of this three city study was investigation of the extent to which child care arrangements affected WIN participation

(Smith and Herberg, 1972). A sample of 318 women referred to WIN during 1970 was interviewed before participation in the program. About 9 months later, 261 were able to be interviewed again (p. 38).

At the time of reinterview, almost half the respondents had either never participated in WIN or had dropped out of the program. Of the non-participants, 20% gave inadequate child care arrangements as one reason for their actions (p. 76). Other major reasons included sickness and disability. Of those who were in WIN, almost half mentioned that the need for child care arrangements was making their participation difficult (p. 77). Only 8% of those in the sample participating in WIN were using child care centers, while 50% were using relatives, friends or neighbors (p. 57). The low use of formal centers had to do with their inflexibility regarding hours of operation, taking children only in a limited age range, and having no provision for the child who became ill (p. 88).

Similar results appear in the previously mentioned Feldman (1972) study of welfare mothers in upper New York State. He found that 10% of the working mothers used a day care center (p. 239). Only 17% would prefer such a center if they could choose whatever form of arrangement they wanted (p. 240). The biggest problem they perceived regarding day care was that of caring for children who became ill (p. 242).

The lack of use of day care centers also appears in a national panel study of 5,000 low income families (Duncan and Morgan, 1975). Interviews carried out in 1973 with 310 females who headed families and were working showed that only 11% were using institutional day care or nursery facilities. Three quarters of them used a friend, relative or baby sitter (p. 222).

Further findings of the three city study of WIN participants showed that enrollees found positive contacts with WIN staff to be an important experience which encouraged further participation (p. 132). As in other studies, there was the finding that the terminees who completed their WIN employability plans were more likely to be working than those who had dropped out of WIN (p. 141). This Garvin et al. study further illuminates certain of the factors affecting the participation of AFDC recipients in WIN, pointing out their concern with obtaining better jobs and higher income. It did not undertake, however, to relate the characteristics of WIN participants and aspects of the program to job success outcomes.

A disjunction is apparent between the Garvin and Reid kind of study on one hand and the Schiller kind of study on the other. The former sought to conceptualize and delineate variables that illuminated what was happening in WIN, especially similarities and differences across sites. The delineation was not very precise, and the studies were not organized to try and predict job success of trainees. The Schiller kind of study was designed precisely for the purpose of determining the factors influencing trainees' job success, but the variables used did not reflect the significant WIN happenings that actually influenced participants' job success. There is need to combine these two approaches within the same study, showing how broad statistical results emerge from the aggregation of specific events in WIN that affect the psychology and actions of trainees.

A study carried out by Leonard Goodwin (1972, 1975) illuminated something of the psychological impact of WIN on certain participants. This effort, mentioned earlier, created measures of several orientations toward work, including work ethic, confidence in one's abilities, and

acceptability of welfare. Of interest here were the measures of orientations made at two points in time on WIN I participants: when they entered the program; about one year after they had left the program. The aim was to determine whether work orientations measured at entry into WIN predicted earnings after leaving WIN, and whether the experience of employment or unemployment during the year after leaving WIN affected orientations.

There was only one orientation that was significantly correlated with earnings of women upon leaving WIN; and that was acceptability of welfare. Those women who entered WIN with the greatest acceptability of welfare were least likely to be working at time of leaving WIN. The correlation coefficient was relatively small, -0.18 (1975, p. 144). However, the correlation between earnings of those women one year after having left WIN and their acceptability of welfare at that later time was considerably larger, -0.39. The increase in correlation came entirely from the women who did not obtain jobs (p. 148). That is, those women who went through WIN and did not get work at the end had become markedly more dependent on welfare than when they had started. The impact of another failure mediated through the WIN experience had made them more unlikely than ever to want to try and enter the work force.

These findings need to be viewed in light of the fact that only 181 WIN women were involved in the reinterviews, whereas over 1,100 had been interviewed initially. This shrinkage was partly the result of almost half the trainees still having been in WIN at the time of reinterview. The acceptance of welfare measure was found to be significantly correlated with the work effort of other welfare but nonWIN mothers in the Goodwin study (1972, p. 105), adding to the validity of the relation-

ship. There were no longitudinal data for these other mothers, however. (Orientations and earnings were measured at the same point in time.) It would be useful to replicate the longitudinal effort in order to explore further the extent to which failure to fulfill expectations with respect to finding jobs inhibits persons from further search efforts.

There were not enough reinterviews with WIN men to warrant a longitudinal analysis. It was possible to correlate entering scores on orientations with earnings at time of leaving WIN. For the almost 150 WIN men there was no significant correlation between any of the orientations and their work activity upon termination (Goodwin, 1971, p. 97).* However for nonwelfare men in the sample, including 500 black fathers and 175 white fathers living in Baltimore, there were significant correlations between earnings and scores on the orientation measuring confidence in ability to succeed in the work world (1972, p. 109). (Lack of correlation with the acceptability of welfare measure probably stems from the fact that obtaining welfare is not a practical option for most fathers.)

While data from the nonwelfare men were not longitudinal, it seems likely that the same cyclical effect between earnings and orientations might be posited for men as observed for the WIN women. A man having confidence in his ability is encouraged to try harder in the work world, and success in that world further increases his confidence. If this view is shown to be valid, then, work training efforts should be concerned not only with providing skills or job placements, but with helping persons experience "success" so that they will be encouraged to try harder.

*The lack of correlation between orientation score and earnings among WIN men is attributed by Goodwin to their having special barriers to work force participation such as arrest records and alcoholism (1971, p. 98).

The Goodwin study also compared the orientation scores of WIN persons with the scores that WIN staff thought they would give.* It turned out that staff seriously underestimated the work ethic ratings of the persons they were supposed to be helping (1975, p. 119). It is not unreasonable to suppose that those staff who underestimated the positive work orientations of their enrollees were less effective with those enrollees. Testing that possibility awaits further research. It is unfortunate that the Schiller et al. study did not use any of the measures developed by Goodwin to advance an understanding of the psychological factors influencing the job efforts of welfare recipients.

An effort to positively affect the psychology of WIN participants and encourage their job search was initiated by the Department of Labor in connection with an experimental alteration in the delivery system (the local WIN office). The alteration involved the introduction of vouchers at one WIN site whereby WIN trainees could purchase training on their own rather than having to work out a plan of training with WIN staff.

Goodwin (1972a) was asked to design a study that would test the effectiveness of vouchers. In that connection, he carried out interviews with WIN staff in Washington and in the field. He found that proponents of vouchers felt that trainees would have more incentive to perform well and obtain jobs if they were directly responsible for their own training choices. Objections to the voucher included a belief that trainees would not be able to make appropriate decisions, spending too much money on

---

*WIN staff at each of the six sites were asked to complete the work orientation questionnaire the way they thought the average female (or male, depending upon which sex was most numerous) in their program would do so. The ratings of these projected values were then compared with the actual ratings given by the WIN participants.

courses of study in schools that were unsuitable.

The research design served as the basis for a feasibility study of voucher use in Portland, Oregon in the spring of 1974. Ann Richardson and Laure Sharp (1974) directed the effort. Vouchers were issued to 167 WIN trainees for the period of one year but with no fixed dollar limit (p. 19). Early results of the feasibility study showed that trainees spent a little more than their counterparts in the traditional WIN program in 1973; but the median cost was still only $919, and there was no wild spending (p. 34). The choice of occupational training was broader than that of the 1973 comparison group, with less emphasis on lower level clerical jobs and more emphasis on subprofessional and craftsmen jobs. Trainees did not consult at great length with WIN counsellors once they received the vouchers. They tended to go out and make their own choices and arrangements (pp. 36ff).

The study has indicated the feasibility of issuing training vouchers and having them used in a reasonable manner. It is not clear, however, that users of vouchers as a group do any better in the job market than those who follow the traditional WIN program.* Analysis of results is still incomplete, and it remains to be seen whether particular kinds of persons make especially good (or poor) use of vouchers with respect to job placement and tenure.

Vouchers also were tried for financing on-the-job training. It was difficult to get trainees into that effort. Again, the data are not all analyzed, but it may be that trainees find it hard to negotiate a more complex activity such as that, or that employers prefer to get on-the-job

---

*Information gained from conversations with Ann Richardson, October, 1976.

trainees from agencies with which they are familiar. What does seem clear, in any case, is that vouchers are not going to revolutionize the work-training effort. There are marked limits to what can be accomplished by the delivery system affecting the characteristics of trainees. Alterations in the job market situation need to be explored.

## CHAPTER 5

## ALTERING WORK INCENTIVES

Doubt may still linger (in spite of research indicating that welfare recipients have high work ethic and do work and participate in WIN) as to whether large numbers of recipients would work on a regular basis if favorable opportunities were presented. These opportunities can be thought of in several ways. Companies might become more interested in hiring welfare recipients if they receivedtax rebates for doing so. Welfare recipients might become more interested in working if, on one hand, they were allowed to keep more of their earnings in conjunction with welfare payments, or, on the other hand, they had to obey stiffer work requirements before receiving benefits.

Both these approaches tend to assume no basic changes in the job market system. The jobs available would be those that were usually available. A more fundamental and direct approach would be to change the basis of competition in the job market by creating new jobs for welfare persons. There are studies that explore each of these possibilities and reveal the responses of employers and welfare recipients under differing incentives.

### Tax Credit, Earning Exemption, and Work Requirements

In 1972, employers became eligible for a tax credit of up to 20% of the first year's wages paid an employee from the WIN program. Pollock and Grams (1976) have presented preliminary findings from an employer survey aimed at elucidating the experiences of WIN employers and why the tax credit was not being widely used. Only about 16% of all WIN hires

were being done under the tax credit arrangement (p. 1).

More than 500 employers of WIN persons who had claimed the tax credit were interviewed by telephone along with more than 400 who had not used the tax credit (p. ix). In a followup interview a few months later, 182 employers of WIN persons were asked for reasons why they would not hire more of these persons. Almost one quarter cited the poor attitudes and qualifications of WIN workers. Another quarter cited problems in understanding the WIN and tax credit arrangement. Almost half gave no reason for not hiring more WIN graduates (p. 14). Thus, there were only about one quarter of the employers who were really dissatisfied with the WIN workers as such. The study did not go into detail about the conditions of employment among the dissatisfied employers, whether for example the working conditions were very poor or whether the demands of the job were very high.

There was considerable turnover among WIN workers. Four months after job entry, more than half of them had left (p. 16). Of those who left, half had quit, almost one third had been laid off, and the others had been fired, (p. 17). The reasons lying behind these results--e.g. why workers had quit--were not explored. The average wage being paid a WIN worker was in the vicinity of $2.65 per hour (p. B-8), not a very high figure. No systematic comparative data on other workers in these kinds of jobs are reported. It is not unlikely that the experiences of WIN graduates parallels that of other workers.

The low use of the WIN tax credit appears to center more around organizational matters within the hiring firm than around the characteristics of WIN workers as such. More specifically, those persons taking the risk of hiring a welfare recipient (and the study shows that such a

risk is perceived by the employing person) are not the ones who receive the benefit if the worker is in fact suitable. Thus, the personnel manager can find himself blamed by other managers for supplying them with incompetent help, but if the help is competent, the personnel manager does not directly benefit from the tax credit (Manzara, 1976, p. 54).

It is clear in any case that the tax credit arrangement does not provide an answer to the question of whether WIN persons will flow into decent jobs if the opportunity is provided. The jobs made available under that arrangement do not seem plentiful and many of them do not seem to be particularly attractive in terms of wages and permanency.

Looking at the second approach to increase incentives for welfare recipients to work, it is appropriate to review breifly the impact of the "30 and one third" provision. This amendment to the Social Security Act went into effect in the middle of 1969 and provided that the first $30 of monthly earnings of welfare recipients, as well as one third of their additional earnings, would be disregarded in determining their welfare benefits. Welfare recipients could thus increase their income by working, whereas prior to that time their welfare grant was lowered a dollar for every dollar they earned.

National Analysts (1972) was commissioned by HEW to carry out a nationwide longitudinal study of the impact of this provision. Two sets of interviews were carried out in 12 cities across the country. The first set included more than 4,000 welfare respondents, mostly women, and was done about 6 months after the provision went into effect (p. 6). The second set of interviews took place about one and a half years later, with almost 70% of the same persons reinterviewed.

One striking finding of the study was that at the time of reinterview only about one third of the welfare recipients were aware of the "30 and one third" provision (p. 25). But whether aware or not, the work activities of the recipients, especially the women, had not increased during the intervening period (pp. 20-24). There are the usual caveats that must be entered with respect to large scale surveys--e.g. whether respondents were being honest in their responses for one reason or another. One might also fault the study for waiting six months after the new provision went into effect. Vernon Smith (1974) makes this point in introducing his own study of the impact of the new provisions in two counties in Michigan (p. 51). The critique becomes less persuasive if one can accept at face value the finding that the great majority of recipients were not aware of the provisions anyway. But perhaps the strongest support for the "no effect" findings comes from the national figures on welfare recipient employment excerpted by Smith. These HEW figures indicate that between December 1967 and January 1971 (before and after the earnings exemption provisions) the percentage of welfare mothers engaged in full or part time employment went from 16.6% to 17.1% (p. 17). There was essentially no change in work force activity on the national level.

In the previously mentioned Wiseman (1976) study, there was no significant contribution in employment of welfare mothers from the introduction of the "30 and one third" provision in Alameda County, California (p. 44). Wiseman could measure this effect because his data considered a random sample of recipients before and after introduction of the provision. Wiseman did find, however, that this provision significantly increased length of stay on welfare. Hence, the provision, while probably increasing the standard of living of recipients who could keep a greater

proportion of their earnings, increased welfare costs (p. 52).

This is not to say that there was no change anywhere in the United States as a result of the earnings exemption. Smith's own study indicates a small but significant increase in employment among welfare mothers in the two counties in Michigan, going from about 10% of employment to 14% employment following implementation of the earnings exemption (p. 136). Smith did not arrive at this conclusion by directly interviewing respondents at two points in time. Instead, he used welfare case records to trace the employment activities of mothers over time. (The two counties were selected because such information was readily available to the researcher.)

Smith also introduced controls for other variables that might have affected the work response of welfare mothers, such as participation in WIN (pp. 132ff). While this approach may not be as satisfactory as asking persons whether they are working because of the earnings exemption, it does suggest that the exemption can have a positive, although very small, effect under certain conditions. (Gary Appel, 1972, conducted another study of 13 sites in Michigan, but was limited to the use of three separate samples of welfare mothers at three points in time, rather than following the same individuals over time. He also concludes that there is an incentive effect from the earnings exemption.)

One of the important additional points that Smith makes is that the earning exemption raises welfare costs. Because persons do not have all their earnings deducted from their welfare grant, persons can continue to stay on welfare with a much higher income than earlier. (There is also the $30 disregard and work expenses disregard.) Smith estimated that the exemption provision cost the state of Michigan over $6 million in addition-

al welfare costs during the first year of implementation (p.iv). The cost of putting welfare recipients to work is greater than the cost of outright welfare payments.

One other incentive that might increase work activity of welfare recipients is that of the "work test". The latter involves requiring unemployed persons who are receiving welfare or food stamps to register with the employment service and look for work. A study carried out by Evans, Freidman and Hausman (1976) looked explicitly at five cities where the work test was being enforced with different amounts of stringency, but where the labor market conditions were similar (p. 7). Over 1,600 persons receiving welfare or food stamps were interviewed.

The pressure exerted through the employment service was to question persons about their job search (p. 5). As the researchers mentioned, it was not possible to determine how these persons actually behaved in job interviews. These efforts to pressure recipients to obtain jobs did not seem to have a marked effect in getting them back to work (pp. 5-6). The authors indicated that ways of enforcing the work test further would involve considerable costs, such as, providing a public employment program to which these persons could be referred (p. 6). The fact that this or some other kind of stricter work test was not included in the study limits the conclusions that can be drawn about the potential effectiveness of a work test.

The kinds of work incentive efforts discussed thus far do not provide a clear picture about the willingness of welfare recipients to make a prolonged work effort when favorable job conditions are offered. The efforts essentially take the current job market for granted. What would happen if considerably more favorable conditions were provided in that

market? Such conditions did occur when public service jobs were made available to welfare recipients. What were the results?

When Jobs Are Provided

Decision Making Information (1975) was responsible for evaluating the Welfare Demonstration Project (WDP) which was authorized under the Emergency Employment Act of 1971 at 12 sites in 4 states. Among their major aims was to determine whether welfare recipients could adequately fulfill these jobs over a period of time and use their experience to obtain unsubsidized jobs. They also hoped in the course of three waves of interviews with about 1,800 WDP participants to determine whether those who had been trained in WIN did better than other welfare recipients in moving to unsubsidized jobs and whether supportive services made a difference (p. 23). These latter tests had to be abandoned because of inability to control provision of services or training by the employing organizations at the different sites running the demonstration (pp. 26ff).

The demonstration project ran from 1972 to 1974, with over 7,000 participants holding more than 5,000 jobs that were created in public agencies and private non-profit organizations (p. 1). The average stay on the subsidized job was 15 months (p. 87). These jobs were mainly in the personal service and clerical areas, many regarded as paraprofessional --e.g. teacher aides (p. 70). But in any case, they were meaningful jobs, often involving union affiliation. The workers received paychecks from the agencies, not from the welfare office as in the case of work for relief programs. Ninety percent of participants reported an increase in feelings of confidence about obtaining and holding permanent jobs (p. 88).

Eighty percent of the 150 work supervisors in the sample rated WDP persons at least as efficient and willing to learn as their regular

workers (p. 87), and only 20% dropped out of their subsidized jobs prior to the specified time (p. 5). This replicates the much earlier findings of Roessner (1971, p. 114) that employers of WIN graduates found the latter to be as effective as their other employees.

There was an overflow of candidates for the WDP jobs. In the major cities twice as many candidates were screened as selected (p. 64). How many more welfare recipients would have been interested in work if the recruitment had been more intensive is not known. It is clear that substantial numbers of welfare recipients were ready and willing to work at decent jobs. The willingness of so many to respond made it impossible to test the difference in performance of persons who were mandatory referrals versus those who were voluntary. As in the case of much WIN experience, there were so many volunteers that the mandatory referral option was not used at any of the sites.

A somewhat different story is revealed with respect to the transition of WDP workers to unsubsidized jobs in the regular workforce. At the time of Wave III interviews in 1974, only about half of those who had left WDP were employed. Of those unemployed, half were looking for work. The others had dropped out of the labor force. Thus, with the end of the subsidy there were substantial numbers who could not or did not obtain jobs in the regular workforce (p. 6). These figures might have become worse later on as the 20% of the sample still in WDP jobs were forced out. (That is, extensive stay in WDP might have been the result of the welfare recipients finding that there were no equivalent jobs in the regular job market.)

The researchers attempted to compare the earnings of the WDP graduates with those in comparison groups. Such comparison was attempted

at only 4 of the 12 sites, and even those were plagued with difficulties (see Appendix C).* The research effort suffered from the vagaries and demands of a program whose overriding aim was to have operational impact. There was a marked rise in wages on the part of the WDP graduates who were working (p. C-47). But there was also a marked rise for the comparison groups, yielding no significant differences. When the earnings for the 9 months prior to WDP were compared with the earnings for the 8 months after leaving WDP, there was again observed a wide swing in earnings on the parts of both the WDP participants and the comparison groups (p. C-49). In some cases there was a tripling of income. This finding supports the Levy (1976) study of 5,000 low income families which indicated a substantial movement of persons in and out of poverty over any given year because of marked changes in earnings of the head of household.

While the WDP experience did not appear to lead welfare recipients into new and better jobs in the regular workforce, the crucial point to recall is that the subsidized employment was successful. Welfare recipients did satisfactory work in meaningful jobs on a continuing basis.

A final point on WDP relates to its cost. A rough estimate of the first year's cost (not including wages paid because they presumably were in exchange for productive work) was $15 million (p. 76). This included supplementary welfare benefits, administrative costs, extra costs of employing agencies. The roughly estimated cost of keeping these same people on straight welfare was about $10 million (p. 77). Allowing for

*At two of the four sites, those not accepted into WDP were used as comparison groups, introducing bias into the comparison. At the other two sites there was an attempt to match participants with nonparticipants on 7 variables. Small numbers of cases (under 50 at 5 sites) and the necessity to relax the matching procedure throws some doubt on the findings (p. C-15ff).

decreased costs in ensuring years, it still is likely that subsidized employment will be more expensive than straight welfare. How much members of the donor and constituency systems are willing to pay to put welfare recipients to work remains to be seen, even though in response to a survey question, 80% of a sample of the American public expressed willingness to pay more in order to put welfare persons to work (Watts & Free, p. 175).

Another major attempt at public employment took place in New York City, which has the largest concentration of welfare recipients in the country. The first part of this attempt began in 1971 with the introduction, on the basis of statewide legislation, of a mandatory public works program (PWP) for employable home relief recipients (those who receive local relief funds and are not eligible for federal programs such as AFDC). This was essentially a work for relief effort in which a recipient worked off the amount of money received from the welfare department. There were severe limitations to the effort, including the difficulty of trying to administer a meaningful work effort for a person required to work only one or two days a week. In 1973, New York City had gained permission and implemented a much more ambitious experiment in public employment for home relief recipients called the Work Relief Employment Project (WREP).

Lieberman Research Inc. (1975) was employed by the State of New York Dept. of Social Services to evaluate the effort. The aim of the evaluation was to determine whether WREP lowered the welfare caseload, whether the welfare recipients could function adequately in subsidized jobs, and whether they were able to obtain training and skills that enabled them to move to nonsubsidized jobs (p. 12). The Lieberman group carried out about 3,400 personal interviews with WREP participants at different stages of their careers. Interviews also were carred out with

300 former participants in PWP and almost 100 job site WREP supervisors. An additional 380 supervisors provided evaluations of individual WREP workers included in the sample (p. 16).

In the first year of operation, about 18,000 referrals were made to WREP, from a pool of almost 25,000 persons who were deemed employable (p. 72). Over 14,000 job assignments were made. Because some persons moved off WREP jobs during the year the approximate number employed at any one time was 10,000 (p. 73). Welfare recipients were placed in jobs (at one of ten city agencies) with very little delay.

At the end of nine months about three quarters of the initial entrants into WREP, both by city records and the Lieberman sample, were still there. (pp. 127ff). (The evaluation time itself, unfortunately, only lasted nine months.) Of those who had left WREP, only one quarter, or 6.5% of the original number of entrants, had achieved unsubsidized employment (p. 141). WREP did not provide a major avenue to unsubsidized employment. On the other hand, three quarters of the WREP employees were able to hold a job (half-time or more) for at least nine months. Were the WREP workers generally performing below standard, and being kept on only through the tolerance of their supervisors and because their efforts were subsidized? Were so few terminees getting unsubsidized jobs because they were in fact incompetent?

Interviews with the job supervisors of WREP workers showed that the productivity of the latter was judged to be as good as those of regular workers (p. 81). Supervisors indicated, moreover, that WREP workers were above average in willingness to learn and get along with co-workers (p. 82). There was no reason why supervisors should have biased their responses to these questions. They were willing enough to complain

about the earlier PWP workers. Of those who had supervised workers under both programs, 71% preferred the results from WREP workers while only 7% preferred PWP workers, and 22% had no opinion (p. 82).*

The evidence is that WREP workers performed well. They reported strong satisfaction with WREP and with the way they were treated in their jobs (p. 84ff). They especially liked receiving a paycheck from the city agency, rather than a check from the welfare office (p. 103). The data suggest that the inability of large numbers of WREP workers to move into unsubsidized jobs has much more to do with the nature of the job market than with their ability and willingness to work.

It must be recognized that those assigned to WREP were the most employable of the Home Relief recipients. Placement in WREP was not likely for a Puerto Rican with poor English (p. 89). Nevertheless, there were substantial numbers of welfare recipients who were ready to take decent jobs when they became available. This is the same conclusion reached with respect to the nationwide WDP effort at public employment for welfare recipients.

Another similarity with the WDP findings is the cost. It is more expensive to provide subsidized jobs than to pay for outright welfare. After making a number of assumptions and considering discrepancies between their survey data and figures provided by New York City, the researchers came up with an estimate of 19% to 33% greater cost for WREP over outright welfare (p. 172).

---

*It was found by the evaluators during interviews with supposed PWP participants that 22% of them had never actually worked at a PWP job. This happened in only 2% of the WREP assignments (p. 80).

Looking at the overall picture, the researchers estimated that a year's cost of WREP was about $30 million. These costs included the welfare payments that still went to participants (p. 172). The wages paid (for mostly part-time work) were not enough to remove persons from welfare. And in general there was little evidence that WREP markedly lowered welfare rolls (75% of participants were still in WREP at the last interview) (p. 142). The benefits, viewed as the productive work done and measured by the wages paid to the WREP workers, were about $23 million. Hence the additional costs of putting welfare recipients to work was about $7 million a year (p. 196).

It is to be noted that a portion of the extra cost went to improve the living conditions of WREP participants. That is, with the "30 and one third" provision in effect, WREP participants were gaining some benefit from their earnings while still drawing welfare. (The extra cost incurred by the "30 and one third" provision was noted earlier in Vernon Smith's 1974 study in Michigan.)

It is significant to note further that WREP was estimated to be about one and a half to two times as efficient as the work for relief program, PWP (p. 198). For every dollar spent on PWP there was only about half as much return with respect to useful work as there was from WREP.

The positive findings regarding work activity of welfare recipients may seem at first glance to be challenged by another New York State study examining the work activities of public assistance (mostly home relief) recipients. The study, carried out by Bedrosian and Diamond (1974), examined the experiences of welfare recipients who obtained jobs in the private sector through referrals from the employment services under the New York State state law requiring employables to work (p. 1). The

sample was taken from the records of all New York State Employment Service offices. A mail questionnaire was sent out inquiring about their work experiences. With about 50% return, there were about 1,000 respondents (p. 24).

A comparison group also was selected. These were persons who also obtained jobs through the employment service and whose characteristics were most like those of welfare recipients. With about 60% response, there were also about 1,000 respondents. The employers of all these workers also were contacted for their ratings of satisfaction; over 70% response was obtained (p. 24).

A striking finding was that only about one quarter of the welfare placements stayed on the job 29 or more weeks (as compared with three quarters for WREP). Among the comparison group, one third stayed that long. Of those welfare recipients who left their job, almost 3/4 would not be rehired by employers according to the employers' comments (p. 37). Nor would employers rehire two thirds of the comparison group who left their jobs (p. 37). About one quarter of both groups of workers were discharged because they could not or would not do the job. In order to place these results in context, it is necessary to consider the nature of the jobs obtained and the differences between the welfare and comparison groups.

A significant characteristic of the jobs was the salary paid. The average beginning wage for welfare recipients was $2.39 per hour, for the comparison group it is $2.67 per hour (p. 32). The average wage for both WREP and the WDP effort in New York City was in the vicinity of $3.00 per hour (Decision making Information, p. 93; Lieberman Research, pp. 190-192). It is apparent that the kinds of jobs welfare recipients were

assigned to in the private sector were low paid, unskilled jobs. Only 16% of the latter workers received $3.00 or more per hour. Among the nonwelfare comparison group, 28% received that salary.

If the welfare recipients employed in the public sector, receiving much higher wages, could not make ends meet without also receiving welfare, it is likely that welfare recipients in the much lower paid private sector jobs were gaining little from their effort. When those who quit jobs before 14 weeks are compared with those who stayed on, there is a consistent trend. The former had the lower paid jobs, received less or no training, and worked in conditions which the employees described as "just OK", "Not very good", or "Poor" (pp. 40-41). This contrasts sharply with the WREP workers responding positively to their job conditions and co-workers (Lieberman Research, pp. 84ff).

The nonwelfare group paralleled the welare group in all respects, except that they were receiving somewhat higher wages, exhibited less attrition, and had better working conditions (pp. 40-41). Was this because they were more "motivated"? There were no attitudinal scales developed by the researchers. What is evident, however, is that the comparison group is substantially better off than the welfare group, as with the comparison groups of Miller and Ferman, of Feldman, and of Klausner. Among the nonwelfare group, 58% have twelve or more years of education as compared with 34% for the welfare group (p. 27). In terms of family income, all the welfare recipients fall in the poverty area, whereas only 30% of the comparison group do (p. 28). The better showing of the comparison group in the work world can probably be attributed in major part to their better educational and financial standing.

The educational achievement of the welfare recipients placed in private sector jobs is just about the same as among welfare recipients in WREP, 36% high school graduates (Lieberman Research, p. 88). This suggests that the difference in results cannot be attributed to differences in personal characteristics. The Bedrosian and Diamond findings, when placed in the context of the other studies on public employment, seem to indicate that the private sector (at least in the New York area) does not offer jobs that pay enough or have desirable enough conditions to keep welfare recipients (and other heads of households) employed on a regular basis. When higher paying jobs with better conditions are available, then, a number of welfare recipients are able to fulfill them satisfactorily.

Given the success of WREP at putting persons into meaningful employment, it is ironic that the program has been phased out. The phase out started in 1975 during the time that New York City was undergoing considerable financial strain, when regular civil servants were being let go (Gueron, 1976). The conclusion to be drawn again is that the task of changing welfare to workfare does not reside in the unwillingness of many welfare recipients to work, but in the lack of jobs that would pay them enough to support their families and in the unwillingness of legislative bodies (and their constituencies) to provide the funds for additional decent jobs. All this is not to ignore the fact that substantial numbers of welfare recipients are unemployable under anything resembling current conditions because of such matters as illness and family responsibilities.

An important methodological and substantive point needs to be made here. As useful as the two evaluation studies of public service employment have been, they have failed to broach certain crucial issues. Nowhere is there mention of the psychological impact of employment in

decent jobs upon the welfare recipients' sense of confidence or positive relations with their families. Does the positive experience of regular employment strengthen family ties? Does failure at these jobs, or the loss of jobs as the public employment programs are disbanded, increase recipients' feelings of dependency and lessen willingness to try again to rise in the work force? Programs and research studies which tend to conceive of the welfare recipient as an "object" may be crucially incomplete. The next chapter seeks to bring together what is known about the family and personal situation of welfare recipients in the WIN program.

## CHAPTER 6

## FAMILY STRUCTURE AND PERSONAL MOTIVATION

Research findings have shown that the movement of mothers on to welfare and into poverty is related to their having little skills, large families and not having a husband who can work. Meeting the welfare issue can involve considerations not only of work training for welfare mothers, but of keeping low income families intact and lessening the number of children they have. The issue of family size will not be dealt with in this paper. But the issue of why low income men stay with or desert their families is relevant. Knowledge in this area is scarce. Some evidence is provided by Isabel Sawhill et al. (1975) who have taken advantage of two sets of longitudinal data to look at reasons for family separation. One set comes from the five year follow up of 5,000 low income families by the University of Michigan. The other comes from the three year study of the impact of the guaranteed income experiment in New Jersey and Pennsylvania. The basic approach taken by Sawhill et al. was to consider as the dependent variable the probability that a family which was intact at the time of the first interview separated during the rest of the period under consideration.

With respect to the Michigan data, a total of almost 2,000 families with the heads less than 54 years old were included in the analysis. About 8% of those families separated during the four years following the first interview (p. 39). Separation was increased as the head of the family was younger and the length of the marriage was shorter (p. 39). More significantly, separation was positively associated with a serious bout of unemployment for the husband and a sharp

drop in family income (pp. 39ff). Among the poorest families, separation also was significantly associated with low overall earnings of the husband (p. 41).

Another significant variable was the wives' earnings. The greater these earnings, the more likely was marital separation (p. 39). This finding is consistent with the finding of Feldman (1972) in Chapter 2 that marital tensions were higher in families where the wife worked. It was not clear from the Feldman study or from the Sawhill et al. analysis whether the earnings of the mothers threatened the fathers' status and encouraged marital dissolution or whether women who were already dissatisfied with their marriage sought to work in order to get away from the house, and eventually separated from their husbands.

Depth interviews with working couples are needed to elucidate this matter. Such interviews also might reveal other important factors affecting marital stability. The variables just mentioned account for only 6% of the variance in marital separation scores. The results do demonstrate, however, that the employment of husbands and wives does significantly affect the marriage relationship.

Duncan and Morgan (1975) have done a separate analysis of marital stability among black families, using the Michigan data. They are able to account for 28% of the variance in stability with the major predictors being family income, age of the male, and (negatively) family size (p. 166). The number of fragmented black families is small in number, only 49 out of 575, so that further study is needed to substantiate the results. In any case, blacks do not seem to differ markedly from whites with respect to factors affecting family stability.

While the Michigan data comes from persons living under "ordinary" circumstances, including the ordinary welfare arrangements, the New Jersey-Pennsylvania data comes from persons participating in "experimental" circumstances. The experimental group of about 700 initially intact families were, over a three year period, guaranteed payments if their family income fell below a certain level. The guarantee was varied (or taxed) in such a manner that they received the maximum amount if they had no income at all and then lesser amounts as they earned more up to a certain limit. A comparison group of about 700 families, similar to the experimental group but not receiving the guarantee also was established. Sawhill et al. again ran regression analyses which identified the variables related to family separation. Analyses were run for the entire set of families and for subgroups, including different racial groups. The separation rate was higher than for the Michigan families, running about 4% per year. Again the regression analysis for these families accounted for only a small percentage of the variance in marital separations, around 10% (p. 68). The earnings of the husband showed a marked effect in increasing marital stability. The welfare and experimental payments also contributed to the marital stability of black and Spanish speaking families although not the white ones (p. 68, 71). These findings hint again at the linkage between employment and marital stability for low income families. There was no independent and negative effect from wives' earnings. But then, families with working wives were markedly under-represented because of the way the sample was chosen.

Returning to the Michigan data, the findings show that mothers receiving AFDC were much less likely to remarry (p. 85, 90). Again, because of the limitations of the data, it was not possible to obtain

an explanation for that result. It might be that the women prefer not to marry or it might be that marriage would cancel their welfare payments and reduce the income they might have in an intact family. What is suggested in any case is that welfare policy is inhibiting the formation or re-formation of intact families.

Another examination of family separation was carried out by Wiseman (1976) using longitudinal data on welfare recipients gathered in Alameda County, California. This study was mentioned in Chapter 3 in connection with elucidating the factors affecting the employment of WIN persons. Wiseman also considered factors affecting family fragmentation. This fragmentation was the dependent variable in a multivariate analysis where the independent variables included administrative arrangements for welfare, labor market conditions, and demographic characteristics of recipients.

Wiseman found that a significant source of marital stability was the availability of "other income" to the family (pp. 64-65). Also, stability was enhanced as the age of the man increased and the length of the marriage increased. These findings parallel those found by Sawhill (1975).

One striking sidelight of the Wiseman data was the extent of separation in AFDC-U families. Six percent of those families separated during each three month period (p. 62). This high rate suggests that the AFDC-U program does not fulfill one of its major aims which was to help keep welfare families intact. (Welfare men lose all benefits if they work more than 100 hours per month. On the other hand, if they desert their families, their wives continue to receive benefits and they can work as much as they like. Under those conditions, many welfare fathers

apparently prefer desertion.) It still remains to develop welfare policy that encourages families to stay together.

While these statistical studies suggest an important relationship between employment and income on one hand and marital stability on the other, they do not show how the former affect the latter. It may be that lack of employment and income are only intermediary variables which lead to a lessening of the father's feelings of confidence and authority within the family, which in turn leads to his desertion. The importance of knowing whether that is the case is that there are other ways than unemployment to undermine a father's confidence. Direct measurement of such variables as confidence and authority might improve the amount of variance explained in marital separation scores. In order to establish the possible significance of these and other variables, in-depth studies of family relationships are needed.

Samuel Klausner has been carrying out a study of the stability of low income families in Camden, New Jersey, based on personal interviews. Unfortunately, findings are not yet available. One of his co-workers, Albert Crawford, (1976) has submitted a report, however, which considers the retrospective family experiences of the approximately 700 Camden fathers.

The fathers interviewed were between the ages of 18 and 40 in 1973 when the first set of interviews was initiated (p. 68). They were selected on the basis of their annual earned income being no larger than $10,000 and their total family income being no larger than $15,000 (p. 68). They were asked a series of questions about their own childhood and upbringing, including the roles played by their mothers and fathers. Thus they were asked about: the intactness of their families at different

points in their childhood; the kinds of family responsibilities taken by mothers or fathers--e.g. who administered punishment or supervised their activities; and, employment patterns of their mothers and fathers (pp. 76ff).

Crawford recognized the limitations of retrospective reports (p. 67), but he was able to establish adequate reliability for certain responses such as time of family separation by comparing initial 1973 responses with responses to the same questions during reinterviews in 1974 (pp. 84ff). The general strategy of analysis was to compare responses given by men who came from intact as against broken families.

One interesting finding was that for intact black families the sons of working mothers were more likely to graduate from high school than the sons of nonworking mothers (p. 168). In broken families, the employment or nonemployment of the mother was not related to the son's graduation (p. 168). No additional data were provided to help interpret this finding further. It is in any case consistent with the earlier finding of Feldman (1972) that mothers did not harm their childrens' development by working.

Another finding of importance was that when the father was working more regularly than the mother, the family was more likely to stay intact than when the mother was working more regularly (p. 123). This held for white as well as black families, indicating again that the employment patterns of mothers and fathers have some bearing on family stability. But also, again, this variable accounted for only about 6% of the variance in marital stability (p. 123). (Crawford did not carry out a multivariate analysis of marital stability, for some unexplained reason, but he did present simple correlations between independent variables and the

dependent one of marital stability.) Hence there is much room for further investigation of the psychological factors affecting marital stability and upward mobility of family members.

The Psychology of Risk Taking

Few WIN studies have dealt with the psychology of poor people. Yet, Schiller (1974, p. 34) mentioned that WIN staff consistently attribute success in the program to client "motivation." Reid (1972, p. 92) pointed out that decisions made to refer welfare recipients to WIN hinged on judgments made about the "motivation" of the recipients. There have been studies concerned with measuring psychological attitudes of welfare persons (Thompson and Miles, 1972, Klausner, 1972), but these attributes were not related to work activity or marital stability. Needed is a greater understanding of why certain persons have psychological orientations that enable them to try hard to keep jobs, get better jobs, stay married, fulfill certain actions (are "motivated") whereas other do not try that hard.

Some light is thrown on this issue by considering another aspect of Goodwin's (1972) study of work orientations. Data were gathered from 500 intact black families living in middle to lower-middle class interracial neighborhoods in Baltimore. The mother, father and teenage son or daughter were interviewed in each family, along with corresponding members of white families living in the same neighborhoods. A comparison of demographic characteristics of the fathers reveals that black fathers have an average of only 10 years of education as against 12 years for their white counterpart (p. 71). The average annual family income for blacks is about 20% less than for whites whereas the average number of children in the black families is 3.7 while only 3.0 for whites (p. 71).

Moreover, the black mothers contribute about 30% of the family income whereas white mothers contribute only about 20% (p. 71). Here, then, are black fathers strongly committed to an intact family, a job, and upward social mobility, competing so to speak with whites who are more educated, have more resources and fewer children to support.

The black families clearly are taking a high risk in living where they are. A brief incapacity on the part of the father or the working mother might so lower their income as to force them to move out of that neighborhood and into a lower class status. It seems reasonable to speculate that these black fathers are high risk-takers, they are willing to chance failure in order to fulfill important goals. It also seems reasonable that they should exhibit high anxiety about their social-economic position.

Goodwin did not have a direct measure of anxiety but he did have one related to it which was called "Lack of confidence in ability to succeed in the work world" (p. 15). The black fathers scored extremely high on that measure, significantly higher than not only their white neighbors but fathers in the WIN program (p. 73). This orientation was significantly (and negatively) correlated with job earnings among the black and white Baltimore fathers (p. 110). The more these fathers earned the greater their confidence. The average value given this orientation by the black fathers is so large, however, as to indicate that most of these fathers experience considerable anxiety about fulfilling goals.* The fact that these black men are continuing to live in the interracial neighborhoods suggests that they are able to withstand this

* *In a ranking of 14 life goals, the black Baltimore fathers gave ranks 2, 3, and 4 respectively to: Having a job that is well-paid; Supporting a wife and family; and, Getting along well with your family (p. 150).

high level of anxiety. Not all persons may be able to do this. Many may choose not to strive for certain goals (appearing thereby to be "unmotivated") rather than risk the threat of failure or failure itself.

If the interpretations offered are valid, then, it follows that the willingness of low income persons to take and hold jobs, keep their family intact, advance in social status depends not only on their having these matters as important goals, not only on their having certain skills, but also upon their being able to tolerate the psychological threat that accompanies efforts which may end in failure. When WIN staff complain that certain trainees are "unmotivated" they may be overlooking the possibility that those trainees cannot cope with another failure, another effort at improving their status in the work force which only ends again ir unemployment. By lessening the negative consequences of failure, more poor persons should be willing to risk new efforts to achieve work goals.

There is some empirical evidence illustrating the implication just drawn. It comes from the New Jersey guaranteed income experiment mentioned earlier in this chapter. Data showed that the younger, more educated fathers in the experimental group tended to stay out of the labor force longer than comparison group fathers but earned more in better jobs upon their return to work (Watts, 1973, p. 130; also, Rees and Watts, 1975, p. 78). This was an unexpected finding. In the theory propounded by the experimenters, provision of an income guarantee could only lessen work effort or earnings (Rees and Watts, 1975, pp. 60-78).

The empirical finding can be understood by reference to the theory just presented. The provision of a guarantee lowered the risk associated with searching for a better job and possibly failing in that effort. Some of the fathers were able to withstand the lessened anxieties and

carried forward a job search. This resulted in some of them advancing to better jobs and possibly increasing the stability of their marriages. Whether this explanation adequately accounts for what actually happened cannot be determined because no data were gathered during the experiment on such matters as anxiety experienced in job search. But the explanation is certainly plausible.

Another paradox from the experiment had to do with the work effort of black families. Those given the guarantee tended to slightly increase rather than decrease their work effort (Rees and Watts, p. 86). This occurs in face of the slight decrease in work effort among experimental families as a whole (p. 86). There are serious questions about the adequacy of the sample of black families but in any case the risk-taking theory and the situation of the black families in Baltimore just mentioned makes it plausible to believe that the provision of an income guarantee would spur black families to close the gap in resources between themselves and comparable white families.

This discussion of the psychology of low income persons in relation to employment and marital stability is necessarily sketchy. There is a lack of adequate research and theory in this area. Needed, are closer looks at the reasons behind low income men taking risks to obtain better jobs and to maintain marital ties. This further knowledge would help in designing welfare and training programs which encourage fathers to obtain better jobs and keep their families intact, rather than discouraging them from these efforts as under current arrangements.

CHAPTER 7

# POLICY ALTERNATIVES IN HISTORICAL PERSPECTIVE

The task of this chapter is to draw together the various research findings in order to illuminate current options with respect to welfare and work training policies. The research findings are significant but do not automatically predicate policies. The findings that WIN training helps certain welfare recipients obtain better jobs, for example, does not necessarily mean that WIN should be continued or expanded. Other matters need to be considered such as the kind of commitment that the federal and local governments wish to make toward helping the poor. Or to put this another way, basic value issues are involved in policy decisions.

Research cannot determine which values should be applied. It can provide a broader perspective on the issues at stake, including the consequences of choosing one path or another. This perspective is made even sharper as the current situation is placed in its historical context. The choices faced today in welfare and work training grow out of the choices made in the past. Given an awareness of that past and of current research findings, the importance and consequences of alternative policies become clearer.

## Looking Backward

Up until the great depression of the 1930's, obtaining jobs and providing welfare were the responsibilities of private individuals, families and charities. The federal government had little or no role in those matters. The shock of the depression, with millions of persons

losing their livelihood, changed all that. In the spring of 1933, Congress passed the Federal Emergency Relief Act (FERA), recognizing for the first time that unemployment was a national problem. While the Act itself did not stress work over direct relief, Harry Hopkins, the first administrator of the program appointed by President Roosevelt, made clear the preference for work (Brown, 1940, p. 150).

The concept was not to enforce work-for-relief as a punitive measure to discourage persons from accepting welfare, but to provide jobs that would maintain the morale, skills and physical condition of employable men. President Roosevelt (1935) in a subsequent message to the Congress stressed the importance of providing jobs rather than doling out relief. E. Wight Bakke (1940) found that self-respect among workers who had lost their regular jobs and had public works jobs was higher than among those who were receiving direct relief only.

The FERA effort had numerous limitations, including the fact that many of the jobs were of the make-work variety (Brown, p. 157). In order to improve the employment situation, another program was launched, the Civil Works Administration (CWA). Wages were paid not according to a welfare subsistence budget, but according to prevailing community rates. Public projects were supported which had social value and were not being performed by other workers (Kurtz, 1939, p. 460). During its brief 4½ month life, CWA employed 4 million persons at a cost of about $1 billion (Charnow, 1943, p. 2). Opposition to the program was strong in the Congress because of its costliness and high hourly rate; thus its short life. The cost of FERA in contrast was only about $1½ billion over a two year period.

It was only the extreme exigencies of the depression situation that enabled passage of job creating legislation. Even then there was great hesitancy in providing too many jobs at too much cost. An extensive federal work program did appear in 1935. And from late 1935 through the middle of 1941 the numbers employed by the Works Progress Administration (WPA) ranged from 1.5 million to 3.3 million (Brown, p. 168). Once placed in these jobs, persons were dropped from the welfare rolls. Hence the effort was distinctly different from work-for-relief. The program was phased out in early 1943 as employment increased after entrance into World War II. With the ending of the unemployment emergency, the government removed itself from direct responsibility for providing jobs.

At the termination of World War II there was concern that unemployment might again stalk the land. The Full Employment Act of 1946 allowed the government to intervene in the economy to insure full employment, but there was no explicit provision for federal guarantee of jobs. Prosperity in the post war years, made federal action unnecessary in any case.

Since the 1960's

Not until the late 1950's did unemployment again become a problem. The action supported by the Kennedy administration when it came to power in 1960 was to try and retrain workers who had lost their jobs, not to guarantee jobs. Thus, the Manpower Development and Training Act (MDTA) of 1962 provided federal funds to be used through the states to help displaced workers obtain new skills.

It was not until 1971, with 6% unemployment and an increasing number of Vietnam veterans looking for work, that the federal government again took initiative in providing jobs. But it was a small effort. The Emergency Employment Act of 1971 authorized a Public Employment Program

(PEP) which was to run for two years. Only about 200,000 jobs were provided in each of those years (Nixon, 1974, p. 153). (The Welfare Demonstration Project reviewed in Chapter 5 was created under that program by the initiative of the Secretary of Labor.)

The hesitancy of the federal government to expand upon its depression experience of intervening directly and massively in the job market stands in marked contrast to its efforts in the social welfare area. The 1935 Social Security Act provided aid for those who were unemployable. The major categories of persons were elderly people who could no longer work and families headed by mothers who had little or no sources of income. Provision of unemployment insurance also was part of that law.

These depression based social welfare efforts of the federal government have been not only maintained over the years but have been greatly expanded. The vast increases in costs of social security and unemployment insurance have been well accepted (until very recently) because the benefits were related to previous work activity (see, Goodwin and Tu, 1975). On the other hand, there has been resistance and hostility toward increased costs of public welfare because that program is not related to previous work effort. The past decade has seen an increased effort on the part of the federal government to put welfare recipients to work. Such an effort had been going on in many states before then.

State and local areas had continued to take responsibility for indigent persons not covered by AFDC. These were both men and women who did not have dependent children but were nevertheless indigent. The Bureau of Family Services (1962) surveyed the 27 states conducting work for relief in September, 1961. Unlike the WPA, the participants, who were primarily men, received a welfare check for their efforts not a

paycheck (p. 8). Moreover, the jobs were unskilled (p. 8), indicating that the program was punitive rather than really aimed at helping recipients improve their chances in the labor force. In examining the effectiveness of these work for relief efforts the Bureau noted:

- Work relief cannot reduce the public assistance rolls unless the economy produces additional regular jobs;
- Work relief efforts require considerable additional funds because of increased administrative costs;
- Work projects that are useful to the community tend to interfere with the employment of regular workers (p. 15).

These limitations on making work for relief a productive experience are understandable. In 1962, however, one could still argue that the job potential of welfare recipients could be markedly improved if they were given training and social services. It was with that intent that Congress, later in 1962, appropriated $2 million for a small experimental work training effort called the Community and Work Training Program (CWT).

The CWT program, implemented in 13 states during its lifetime of about four years, did not meet expectations. A report prepared by HEW and transmitted to the Congress by President Johnson in 1967 found that in the majority of cases, CWT efforts had been merely superimposed upon traditional work for relief projects with virtually no training provided (Johnson, 1967, p. 25). Of the more than 100,000 persons assigned to training projects about 45,000 were subsequently employed. But most got jobs on their own or were hired by project sponsors in common labor or menial jobs. It was recognized that the characteristics of the client group, including lack of education, physical and mental handicaps, as well as racial discrimination, were major barriers to employment.

Prior to the full findings of the CWT program, HEW recommended that it be expanded and made a permanent part of public assistance efforts.

It still seemed reasonable that increased services could overcome the employment barriers for substantial numbers of welfare recipients. Under Title V of the Economic Opportunity Act of 1964, an expansion of work-training efforts occurred. The Work Experience and Training Program (WETP) paid for work-related expenses of trainees, and overcame some of the financial limitations of its predecessor. But, again, anticipation outran reality.

A Senate committee hearing in 1967 revealed that 90 percent of the disbursed funds for WETP went for work payment, leaving very little for training or rehabilitation (Levitan, 1967, p. 68). Subsequent to these hearings, a six-page, mimeographed HEW document summarized the achievement of WETP (Cunningham, 1969, p. 3). From 1964 to 1969, about 228,000 trainees had been in the program for an average of 7 months. Almost 35 percent had found employment immediately upon leaving the program. However, only 24 percent of all entrants were known to be working 35 hours or more per week after 3 months. The average pay for these full-time workers was about $1.80 per hour. Such results seem meager indeed when it is recognized that during this same period the economy was expanding and general unemployment was dipping, while the number of families on welfare had increased by about 50 percent, rising to 1.7 million.

Part of the blame for the unspectacular results of WETP fell upon the location of the administration of the program: in welfare departments rather than employment service agencies which were more familiar with job training and placement. There was also criticism of the fact that all earnings of welfare recipients were deducted from their grants, thereby reducing the incentive to work. These criticisms seemed to give new life to the possibility that an adequate work-training program for the welfare

poor could be attained if only the right administrative adjustments could be made. Hope for an adequate program was made more intense by rapidly rising costs of the swelling welfare rolls.

The Congress, upon amending the Social Security Act in 1967, established the sophisticated Work Incentive Program (WIN). Major authority for the delivery of services was not to reside in the Department of Labor and the local state employment agencies. Special counselors and manpower specialists were to help the trainees prepare for and obtain jobs. It was made possible for welfare recipients to earn a certain amount of money without having it all deducted from their welfare grant.

Initial results from WIN were disappointing. Only about 10 percent of the 1.6 million eligibles were considered suitable for enrollment in WIN. Of all those who had been terminated from WIN by April 1, 1970, only about 20% had jobs. Hence, the WIN program was successful in getting jobs for only about 2% (10% times 20%) of the total eligible welfare population; this during a period when welfare rolls for the whole country were rising by about 40 percent.

The changes made in the work training efforts for welfare recipients since 1962 implicitly assumed that changes in administrative arrangements or in work incentives for the recipients would markedly affect work activity. The last major effort along these lines was the Talmadge Amendments to the WIN legislation, taking effect in 1972. Emphasis in WIN was to be given to immediate job placement rather than to training. States were to spend at least one-third of their funds on public service employment or on-the-job training (Talmadge Amendments, 1971).

The possibility of creating much in the way of public jobs was slim because of the small amount of funds allocated to WIN--$220 million

in fiscal year 1975 allocated to work and training, and only $89 million of that going to public service employment and on-the-job training (U.S. Department of Labor and U.S. Department of Health, Education, and Welfare, 1976, p. 21). From a total registrant pool of 839,000 who were eligible for WIN, only 51,000 were placed in on-the-job training or public employment (p. 3). A total of only 113,000 WIN participants found their way into nonsubsidized jobs for at least 90 days (p. 3), while more than 3 million adults remained on AFDC.

WIN II, under the Talmadge amendments, has been placing more persons in jobs than WIN I. But research has shown that placement rates as such are not the crucial issue (Schiller et al., 1976). What is crucial is the extent to which WIN graduates obtain higher paying jobs and hold them longer than a comparable group that does not receive WIN services. The evidence in that respect suggests that WIN I was more effective than WIN II (see Chapter 3).

But WIN I itself was not very effective in moving large numbers of persons off welfare and into workfare. Its predecessors were even less effective. The strict work for relief efforts, whether run by the states prior to 1962, whether run in New York City (see Lieberman Research, 1975), or run in California*, turn out to be cost ineffective and disliked by supervisors and welfare recipients (see Chapter 5).

---

*California introduced the Community Work Experience Program (CWEP) in June, 1972 (State of California, 1974, p. 1). Welfare "employables" who could not be handled in WIN were to be placed in jobs that were otherwise not being done for up to 80 hours per month in order to work off their welfare payments (p. 1). Data from the program show that of 70,000 welfare recipients who were registered from July 1973 through June 1974, only 2,000 entered CWEP and only 430 eventually obtained regular outside employment (p. 6). One could argue that 20% of those entering CWEP obtained jobs. The main point is that very few jobs could be arranged. Looking at the total picture, CWEP possibly served some positive employment function for only 0.6% of the registrant pool. (What their earnings were or how long they stayed in outside employment was not reported.)

Incentives to increase work activity by allowing welfare recipients to keep more of their grant when earning income or incentives to increase job openings by giving tax rebates to employers were not markedly successful. All this in spite of an expressed strong work ethic among welfare recipient and willingness to work in public service jobs. Where does this leave us with respect to current and future welfare and training policies?

## Looking Forward

One possible response to the relative ineffectiveness of work training, other incentive provisions, or even work for relief is to stop those efforts altogether and concentrate on cutting welfare expenditures. Several hundred million dollars could be saved by eliminating WIN and additional millions could be saved by lowering welfare grants and raising eligibility standards. Such actions, however, would lower the living standards and increase the deprivation of welfare recipients (see, Meyers and McIntyre, 1969, p. xiv who show how deprivation goes up as welfare grants go down). Chances for upward mobility would be further lessened, especially for members of black female headed households. No new incentives would be provided for low income fathers to stay with their families. Whether the amount of money saved would be worth these outcomes is a value or policy judgment. It is not at all clear, of course, that this money really will be saved. Those funds, and more, may be needed to quell unrest in the inner cities where high unemployment and increasing deprivation may lead to increased crime (Danziger and Wheeler, 1975), vandalism, and general social disorganization.

Another possible response to the same set of findings is that the current welfare arrangement should be left alone. By enlarging the

training component of WIN, one could argue, some welfare recipients would be helped. One could point out that supplementary programs such as food stamps are compensating for low welfare payments, that there is movement of people off welfare as well as on to it, and that an expanding economy would tend to deplete the welfare rolls.

The other side of the argument regarding the status quo is that major administrative difficulties in the present system of distributing welfare and additional benefits such as food stamps lead to gross inequities with some persons receiving more and others less than seems fair (Subcommittee on Fiscal Policy, 1974). While there is movement on and off welfare, the findings in Chapter 2 show a much lower movement among black female headed households. Hence, continuation of the status quo will continue to disadvantage members of those families. And in the same vein, the present welfare arrangement provides disincentives rather than incentives for fathers both to work and to stay with their families. (As noted in Chapter 6, the separation rate among male headed families on welfare is very high, indicating the inadequacies of the AFDC-U program.)

Finally, the hope that an expanding economy would absorb large numbers of welfare recipients flies in the face of the experience of the late 1960's. The economy was expanding but welfare rolls were rising dramatically as well. Keeping the status quo means accepting as a way of life the support of 3 to 4 million families on welfare and supplementary benefits.

A third way of looking at the findings of this research review is that work training and work incentives for welfare recipients are not inherently ineffective but that their usefulness depends upon the

availability of jobs. The key issue, therefore, is whether the federal government will take the next step beyond WIN and guarantee the kinds of jobs to all those willing and able to work which will provide enough income to live above the poverty level. As already indicated, the government has been loath to do just that. It is much clearer today than earlier, however, that the welfare problem cannot be separated from the lack of jobs problem. It is also clearer today, as indicated in Chapter 5, that meaninful public service jobs can be created and can be adequately filled by welfare recipients. The latter not only express a strong work ethic, but will work when suitable jobs are available.

Just how many recipients at what cost could be removed from the welfare rolls in particular locales if full time jobs were provided needs to be investigated.. Extensive studies would need to be made in different regions in order to specify the kinds of jobs that might be created and how they might be effectively related to local businesses and unions. Levy and Wiseman (1975) have taken a step in this direction, estimating the number of public service jobs that might be made available in the San Francisco Bay area.

A guaranteed job proposal should be viewed not only in light of putting female heads of household to work but also in light of affecting fathers who might desert their families. There is reason to believe, as indicated in Chapter 6, that provision of a job for the husband will tend to keep poor families intact and off the welfare rolls.

While support of guaranteed jobs would mark a turning point in federal policy, it could not be the entire answer to the welfare situation. Substantial numbers of welfare mothers are not employable under anything like current conditions. They will need a form of nonwork

support, unless looking after one's family becomes classified as work. Provision of a guaranteed income might be appropriate, eliminating certain of the inequities and difficulties encountered under the present AFDC operations (see, Subcommittee on Fiscal Policy, 1974).

Such a guarantee might also have the kind of effect noted in the New Jersey guaranteed income experiment (see Chapter 6), allowing some earners to take time off to search for better jobs. That is, following the motivational analysis in Chapter 6, a guaranteed income could lower the risk associated with leaving one's job to get more training or search for a better one and hence provide a better base for attempts at upward mobility.

Suspicions about guaranteed incomes or jobs have centered around a negative view of the psychology of poor people, that they would take advantage of any kind of a guarantee to slack off and do nothing.* The evidence is otherwise. The expressed commitment of poor people to the work ethic, the work activities of WIN participants and other welfare recipients (see Chapters 2, 3, and 4), the positive results with public service employment and the New Jersey guaranteed income experiment all demonstrate that poor persons will respond positively to real opportunities.** Many of these persons, however, have experienced failure in the

*It is noteworthy that Harry Hopkins in a speech shortly after the passage of FERA emphasized that help was to be given those who ordinarily were hard workers. "We are now dealing with people of all classes. It is no longer a matter of unemployables and chronic dependents, but of your friends and mine who are involved in this."(Brown, 1940, p. 153). He was trying to forestall the criticism that the provision of relief and work to welfare recipients would be "wasted".

**This does not mean that all poor persons possess strong work ethic and desire a job. There are individual differences among poor persons as among middle class persons. Research indicates that most Americans maintain a strong work ethic, the poor no less than the middle class.

past. As Goodwin's (1975) study suggested, failure may inhibit further efforts at risk taking in the job market. Various forms of supportive services including job counselling as well as health services and child care arrangements would be needed to maximize the positive effects of guaranteed jobs and incomes.

These proposals would cost more initially than what is currently spent on welfare. As noted in Chapter 5, for example, the public employment effort in New York cost about 30% more than outright welfare. Whether the cost of putting welfare recipients to work is "worth it" involves more than economic considerations. To the extent that such a program encourages family stability, allows persons a greater chance to advance in society, and perhaps makes criminal activities less attractive (see, Danziger and Wheeler, 1975), it can be viewed as adding to human betterment. How much that is "worth" depends upon the values one holds, a topic to be mentioned again in a moment.

It also must be recognized that if a guaranteed jobs and incomes program is initiated at a sufficiently high level, then, low income jobs in the private sector might go unfilled. In order for those jobs to be done, higher wages might have to be paid, with increased costs passed along to the rest of us in terms of higher prices. In addition, if those at the bottom are helped to improve their incomes, those who are not beneficiaries may resent the increased competition for better housing or better schools for their children. The full implications of this kind of thrust into social policy are difficult to foresee. Under those conditions, it is reasonable to think of the experimental introduction of a guaranteed job and guaranteed income program in a given locale. With an appropriate design, encompassing social, psychological as well

as economic variables, it should be possible not only to observe the impact on the locale but to estimate the impact on other locales, including the impact if the program became permanent.*

In addition to these broad policy issues, are there specific recommendations about WIN? The research review does not suggest specific improvements in WIN administration and operation that are still relevant. Changes in WIN regulations occur more rapidly than the completion of research studies; the latter cannot reasonably be expected to illuminate detailed administrative and operational matters. Research has shown, however, that WIN helps its graduates obtain better jobs than otherwise, suggesting the desirability of knowing why. Statistical studies seeking to illuminate the "why" have not been very successful (see, Chapter 3). Needed is a different approach, one in which researchers elucidate the ways in which staff actually interact with trainees.

The quality of interaction, including the extent to which staff lessen the risk of failure for trainees, may strongly influence the overall effectiveness of the program. Hence, one suggestion is to carry forward participant-observation studies in which researchers carry out WIN tasks alongside other staff members for a time. This would provide the opportunity to observe and analyze what is happening to and affecting the trainees in the program.** Given that knowledge, it should be possible

---

*A well designed experiment should try to estimate the impact of the program if it were introduced as a permanent one by asking persons skillfully designed questions about the reasons for their current actions during the experiment as well as for their actions before and after the experiment. For a brief outline of these kinds of issues, see Leonard Goodwin, "Social Experiments and Policy Research," Policy Studies Journal in press.

**For a discussion of how participant observation studies could be carried out and related to an overall research program regarding WIN, see, Leonard Goodwin, "Proposed WIN Research Program," submitted to the Employment and Training Administration, Department of Labor, August 18, 1976.

to improve WIN efforts. But efforts to be aimed at what end and to be judged by what criteria?

WIN has been judged in the past by numbers of participants placed in jobs and how well it was resolving the welfare problem. More realistic and useful (to welfare recipients) criteria would center around the extent to which WIN helps recipients achieve better jobs than they would have obtained otherwise. It is important to take seriously the finding in Chapter 4 (Goodwin, 1975) that failure--not obtaining a job after leaving WIN--harms participants, makes them less likely to try again to rise in the workforce. Rather than pushing many persons through the program who will not find suitable employment, it would be better to spend more effort on a few persons so as to enhance their likelihood of success.

In order to carry forward and evaluate this more intensive activity with WIN participants, followup would be needed for a much longer period than the 90 days now used in WIN. The followup itself would have to be more than cursory. An effort would be needed to provide social support services to help the WIN graduates stay on the job. Suggested here in short is that WIN, given present conditions, should concentrate not upon trying to move massive numbers of welfare recipients into the workforce but upon helping those recipients who can benefit from training and other services so as to achieve financial independence in existing labor markers. This would be far from a satisfactory arrangement because many would receive no help at all. If more resources were allocated to the poor and a guaranteed jobs program were implemented, then, WIN could have a much broader role in training persons for and placing them in those jobs.

## In Conclusion

This research review should make it no longer respectable for persons to claim that the "welfare mess" is a result of recipients not wanting to work, or of recipients being willing to take a dole while others in their same position are working.* Nor should it be respectable to say that work for relief is an answer to the welfare situation or that training poor persons for jobs is either the answer or a total waste of effort.

On the other hand, it is legitimate to differ on values. Research findings cannot determine whether persons should prefer to support a guaranteed jobs and incomes policy against other ways of allocating the resources of American society. We are at a major turning point in social policy. We are not faced with a massive depression as in the 1930's, but with the more subtle issue of a continuing welfare population. While there is considerable movement on and off the rolls, there is only limited movement above poverty for black female heads of households. Not unrelated, there are severely limited job opportunities for black men in the inner cities.

Recent history has indicated an inability of our economy to provide enough jobs at which all heads of households can earn enough to support their families above the poverty level. The question is whether

---

*A scholar such as Irving Kristol was able to claim as recently as July, 1976 that:

> "There are many poor people (including, of course, poor blacks) in this country who are too proud to go on welfare, who prefer to work hard at low-paying jobs, earning less than if they had gone on welfare--and whose spirits are undestroyed, whose lives are less afflicted, and whose children are less likely to get into trouble." (Wall Street Journal, Monday, July 12, 1976, p. 10.)

Evidence in Chapter 2 provides no support for the notion that there is a group of persons just like welfare recipients but who prefer to work. (The burden, indeed, is shifted to Kristol or others to show the existence of such a group.) The further inference that acceptance of welfare itself causes family difficulties is unsupported by research findings.

the government should step in and provide those jobs. The question is not new, others have proposed such government action (see, for example, Lekachman, 1974). What is new here is the mobilization of considerable evidence indicating that such an effort can yield positive social benefits and is feasible as evidenced in the experiences discussed in Chapter 5.

The fundamental issue is whether American leaders and the American public--powerful members of the donor and constituency systems--wish to bear the costs of guaranteed jobs and incomes. Experiments can be initiated to provide more information about the consequences of such a policy. Whatever the choice, it should be made with awareness that the current inability to turn welfare into workfare resides primarily in limitations of the job market system and only secondarily in the characteristics of welfare recipients.

WIN can be improved as more is learned about why it is effective. But WIN cannot have a major impact on the welfare situation until there are jobs available for welfare recipients and low income fathers at which they can earn enough to lift their families out of poverty.

---

## ANNOTATED BIBLIOGRAPHY*


Appel, Gary.
1972 Effects of a Financial Incentive on AFDC Employment: Michigan's Experience Between July 1969 and July 1970. Minneapolis: Institute for Interdisciplinary Studies. (p. 70)**

Bakke, E. Wight.
1940 The Unemployed Worker: A Study of the Task of Making a Living Without a Job. New Haven: Yale University Press. (p. 94)

Bedrosian, Hrack and Diamond, Daniel E.
1974 The Impact of the New York State Workfare Program on Employable Welfare Recipients. New York: College of Business and Public Administration, New York University. (p. 78)

Brown, Josephine C.
1940 Public Relief: 1929-1939. New York: Henry Holt. (p. 94)

Bureau of Family Services, Department of Health, Education, and Welfare.
1962 Work Relief: A Current Look. Public Assistance Report No. 52. Washington, D.C.: U.S. Government Printing Office. (p. 96)

Charnow, John.
1943 Work Relief Experience in the United States. New York: Committee on Social Security of the Social Science Research Council. (p. 94)

Crawford, Albert G.
1976 The Stability of a Man's Family of Origin, Its Causes, and Its Effects on His Achievement: A Test of Moynihan's Theory. PhD Dissertation, Department of Sociology, University of Pennsylvania. Also submitted as an interim report by Samuel Klausner under DOL #51-42-73-05/21-42-74-31. (p. 87)

Approximately 700 male heads of households with family incomes no greater than $15,000 per year (and the head earning no more than $10,000 per year) were interviewed in Camden, New Jersey as part of a larger study conducted by Samuel Klausner on parental authority and family stability. The fathers were asked questions about their own childhoods.


---

*Each item which has a Department of Labor (DOL) contract or grant number can be obtained from the National Technical Information Service, Springfield, Virginia 22151

**These are page numbers in the text where the item is given major mention.

Cunningham, Maurice.
1969 "Final Achievement Statement of Work Experiences and Training Program, Title V of the Economic Opportunity Act of 1964, as Amended." Mimeographed. Assistance Payments Administration, Department of Health, Education, and Welfare. (p. 98)

Danziger, Sheldon and Wheeler, David.
1975 "The Economics of Crime: Punishment or Income redistribution." Review of Social Economy 33 (October) 113-131. (p. 101)

Decision Making Information.
1975 Evaluation of the Emergency Employment Act Welfare Demonstration Project. Santa Ana, California: Decision Making Information. DOL #43-2-002-06, 63-06-73-02. (pp. 72, 79)

This evaluation of the attempt to subsidize jobs for welfare recipients at [illegible] sites in four states involved interviews with about 1,800 WDP participants. Welfare recipients were found to fill these jobs competently. However, there was limited transfer from these jobs to jobs in the regular labor market. (pp. 60, 67)

Duncan, Greg J. and Morgan, James N., Eds.
1975 Five Thousand American Families: Patterns of Economic Progress. Vol. III. Ann Arbor: Institute for Social Research, University of Michigan. (pp. 59, 84)

Ehrenberg, Ronald G. and Hewlett, James G.
1975 The Impact of the WIN 2 Program on Welfare Costs and Recipient Rates. Technical Analysis Paper #15-C, Office of Evaluation & Research, Office of the Assistant Secretary for Policy, Evaluation & Research, U.S. Department of Labor. (pp. 47, 50)

Evans, Robert, Jr., Friedman, Barry L., and Hausman, Leonard J.
1976 The Impact of Work Tests on the Employment Behavior of Welfare Recipients. Waltham: Brandeis University. DOL #53-25-73-03. (p. 71)

Feldman, Harold.
1972 Effect of Welfare Woman's Working on Their Family. Ithaca, New York: Cornell University. DOL #51-34-69-07-1. (pp. 20, 23, 25, 59, 84)

About 1,300 female heads of households were interviewed in upper New York state. Most of these were welfare mothers while about 400 were formerly on welfare. Orientations toward work and family were gathered. Working mothers did not seem to affect their children negatively, although their working seemed to have a negative affect on marital relations.

Fitchen, Janet.
1972 The People of Road Junction. Appearing as Vol. III of Harold Feldman, Effect of Welfare Woman's Working on Their Family. DOL #51-34-69-07-3. (p. 28)

A participant observation study of low income families in a small upper New York State community.

Freidman, Barry L. and Hausman, Leonard J.
1975 Work and Welfare Patterns in Low Income Families. Waltham, Massachusetts: Heller Graduate School, Brandeis University. DOL #51-25-73-03. (p. 16)

Investigated the work and welfare patterns of low income persons using data from the New Jersey guaranteed income experiment and the University of Michigan study of 5,000 families. Marked variability in earned income is noted and its significance discussed.

Garvin, Charles D., Ed.
1974 Incentives and Disincentives to Participation in the Work Incentive Program. Ann Arbor: University of Michigan, School of Social Work. DOL #51-15-6908, 51-37-6911, 51-24-6910. (pp. 57, 60)

About 1,200 persons were interviewed at three cities (Chicago, Detroit and Cleveland), stratified according to whether they were currently enrolled in WIN, had just entered WIN, or had terminated the program. Expectations of those just entering were compared with experiences of those terminated. Job expectations were unrealistically high.

Goodwin, Leonard.
1971 A Study of the Work Orientations of Welfare Recipients Participating in the Work Incentive Program. Washington, D.C.: Brookings Institution. DOL #51-09-69-02. (p. 62)

_____.
1972 Do the Poor Want to Work?: A Social-Psychological Study of Work Orientations. Washington, D.C.: Brookings Institution. (pp. 23, 29, 60, 89)

_____.
1972a "Design of an Experimental Study for Introducing Vouchers into the Work Incentive Program." Submitted to, Office of Research and Development, Manpower Administration, Department of Labor. (p. 63)

_____.
1975 Can Social Science Help Resolve National Problems?: Welfare A Case in Point. New York: Free Press. (p. 60)

_____, and Tu, Joseph.
1975 "The Social Psychological Basis for Public Acceptance of the Social Security System." American Psychologist 30 (September) 875-83. (p. 96)

Gueron, Judy.
1976 "Lessons from New York City's Employment Programs for Public Assistance Recipients." Prepared for a symposium, Work and Welfare in New England. New England Regional Office of HEW, Boston. (Available from the author at Manpower Demonstration Research Corp., New York City.) (p. 81)

Gupte, Pranay.
1973 "65% of Relief Mothers Proving Disabled in Tests." New York Times, September 24, p. 1. (p. 13)

Hausman, Leonard J.
1969 The Potential for Work Among Welfare Parents. Washington, D.C.: U.S. Department of Labor, Manpower Administration, Manpower Monograph no. 12. (p. 12)

Used national data on characteristics of AFDC recipients and national data on earnings of persons in kinds of occupations that recipients had previously engaged in to show that about two thirds of the females and one third of the males could probably not earn enough on their own to support their families.

Hokenson, Earl and Reuther, Carol J., and Henke, Susan R.
1976 Incentives and Disincentives in the Work Incentive Program. Minneapolis: Interstudy. DOL #51-27-73-09. (p. 43)

Over 800 WIN terminees from the St. Paul, Minnesota area were interviewed in order to determine the factors affecting employment. Attitudinal measures were attempted, but they failed to be useful. WIN components had no significant impact, although employment at time of leaving WIN was significantly related to subsequent employment.

Johnson, Lyndon B.
1967 "Message from the President of the United States Relative to the Community Work and Training Program," as transmitted to the Congress. (p. 97)

Kurtz, Russell, Ed.
1939 Social Work Year Book, 1939: A Description of Organized Activities in Social Work and in Related Fields. New York: Russell Sage Foundation. (p. 94)

Klausner, Samuel Z. (with chapters contributed by others)
1972 The Work Incentive Program: Making Adults Economically Independent. Vols. I and II. Philadelphia: University of Pennsylvania. DOL #51-40-69-01. (p. 18)

Compared about 400 female welfare recipients in Camden, New Jersey with about 100 nonwelfare low income females. Measures were made of psychological characteristics. No major differences were found between groups.

Lekachman, Robert.
1974 "Toward Equality Through Employment." Social Policy 5 (September/October), 6-11. (p. 109)

Levinson, Perry.
1970 "How Employable are AFDC Women." Welfare in Review 8 (July-August) 12-16. (p. 11)

Levitan, Sar A.
1967 Anti-Poverty Work and Training Efforts: Goals and Realities. Joint publication of the Institute of Labor and Industrial Relations of the University of Michigan and Wayne State University, and the National Manpower Policy Task Force. (p. 98)

Levy, Frank.
1976 How Big is the American Underclass. Berkeley: Graduate School of Public Policy, University of California. DOL #42-06-74-04. (pp. 14, 18, 74)

A secondary analysis of data on the incomes and work activities of 5,000 families over a five year period. The analysis showed a substantial portion of those in poverty moving out, and others moving in, during the period. Poor female heads of households are more likely to remain that way than male heads of households.

Lieberman Research Inc.
1975 An Evaluation of the Work Relief Employment Project in New York City. New York: Lieberman Research Inc. (pp. 75, 79)

Manzara, Frederick.
1976 Organizational Impediments Within the Firm to The Use of the Employment Tax Credits. Minneapolis: Institute for Manpower Program Analysis, Consultation and Training. (p. 68)

Meyers, Samuel M. and McIntyre, Jennie.
1969 Welfare Policy and its Consequences for the Recipient Population: A Study of the AFDC Program. Washington, D.C.: U.S. Department of Health, Education, and Welfare, Social and Rehabilitation Service. (pp. 11, 101)

Miller, Joe A. and Ferman, Louis A.
1972 Welfare Careers and Low Wage Employment. Ann Arbor, Michigan: Institute of Labor and Industrial Relations, University of Michigan-Wayne State University. DOL #51-24-69-05. (p. 17)

Compared the job experiences of over 400 male and female AFDC recipients in Detroit with the job experiences of about 500 low income respondents not on welfare. Recipients and non-recipients earn about the same wages, but the former have larger families and less resources.

National Analysts.
1972 Effects of the Earnings Exemption Provision Upon the Work Response of AFDC Recipients: Executive Summary. Philadelphia: National Analysts. (p. 68)

Nixon, Richard M.
1974 Manpower Report of the President. Washington, D.C.: U.S. Government Printing Office. (p. 96)

Pollock, William G. and Grams, Sheryl L.
1976 Preliminary Findings of a Study of the Effects of the WIN and Welfare Employment Tax Credits. Minneapolis: Institute for Manpower Program Analysis, Consulting and Training. (p. 66)

Rees, Albert and Watts, Harold.
1975 "An Overview of the Labor Supply Results," in Work Incentives and Income Guarantees, J. Pechman and M. Timpane, Eds. Washington, D.C.: Brookings Institution. (p. 91)

Reid, William J., Ed.
1972 Decision-Making in the Work Incentive Program. Chicago: School of Social Service Administration, University of Chicago. DOL #51-15-6908, 51-37-6911, 51-24-6910. (pp. 54, 89)

In the cities of Chicago, Detroit, and Cleveland a total of 261 WIN enrollees, 116 WIN team members, and 152 public welfare case workers were interviewed in order to determine how decisions were made to refer persons to WIN and develop employability plans. Data also were gathered about the unique historical background of each site.

Richardson, Ann.
1975 Youth in the WIN Program: Report on a Survey of Client Backgrounds, Program Experience and Subsequent Labor Force Participation. Washington, D.C.: Bureau of Social Science Research. DOL #51-11-72-04. (pp. 35, 50)

Interviews were conducted with 518 young people in 13 cities across the country up to two years after they had left WIN. Large differences among sites were observed with respect to

kinds of training offered. On-the-job training had a positive impact on immediate job placement after leaving WIN. In the longer term, this and other kinds of training had very small impact, although immediate job placement after leaving WIN is predictive of long term employment.

Richardson, Ann and Sharp, Laure M.
1974 The Feasibility of Vouchered Training in WIN: Report on the First Phase of a Study. Washington, D.C.: Bureau of Social Science Research. (p. 64)

Roe, Daphne A.
1975 Physical Rehabilitation and Employment of AFDC Recipients. Ithaca, New York: Cornell University. DOL #51-36-75-01. (p. 13)

A pilot study in which 71 welfare recipients in upper New York State were given medical examinations and offered rehabilitation services. This enabled some of the welfare recipients to take or keep jobs.

Roessner, J. David.
1971 Employment Contexts and Disadvantages Workers. Washington, D.C.: Bureau of Social Science Research. (p. 73)

Roosevelt, Franklin D.
1935 Address of the President before the joint session of Congress, Jan. 4, 1935, H. doc. 1, 74th Cong., 1st sess. (p. 94)

Rorer, Leonard G.
1972 "Review of Sixteen Personality Factor Questionnaire." in The Seventh Mental Measurements Yearbook. Ed. O.K. Buros. Highland Park, New Jersey: Gryphon Press. Vol. 1, pp. 332-3. (p. 22)

Sawhill, Isabel V., Peabody, Gerald E., Jones, Carol A., and Caldwell, Steven B.
1975 Income Transfers and Family Structure. Washington, D.C.: Urban Institute. (pp. 83, 86)

Schiller, Bradley.
1972 The Impact of Urban WIN Programs. Washington, D.C.: Pacific Training & Technical Assistance Corp. DOL #51-09-70-10. (p. 38)

A total of 635 WIN persons were interviewed at 36 sites around the country. A multiple regression analysis was carried out to indicate those factors affecting job placement of trainees. None of the training components of WIN were significant. It was found, however, that those who completed WIN training were much more likely to have jobs.

_____.
1974 The Pay-Off to Job Search: The Experience of WIN Terminees. Washington, D.C.: Pacific Training & Technical Assistance Corp. (pp. 41, 89)

A total of 571 persons were interviewed in 16 cities up to three years after leaving WIN. The major focus was on their job search activity. There was also an analysis of factors influencing employment. Those who completed their employability plans showed higher employment rates than others.

_____, et al.
1976 The Impact of WIN II: A Longitudinal Evaluation. Washington, D.C.: Pacific Consultants. (p. 48)

About 2,500 WIN participants and 2,500 persons in the WIN registrant pool (as a comparison group) were interviewed three times during a period of one and a half years. The aim was to determine the net impact of WIN on the employment and earnings of those going through that program. Lack of longer term follow up limited the conclusions. Even though certain training components seemed to be of help to women, it was not clear as to what occurrences in the WIN experience facilitated employment. DOL #53-3-013-06.

Smith, Audrey and Herberg, Dorothy.
1972 Child Care in the Work Incentive Program. Chicago: School of Social Service Administration, University of Chicago. (p. 59)

Smith, Audrey and Fortune, Ann and Reid, William.
1975 After WIN: A Follow-Up Study of Participants in the Work Incentive Program. Chicago: University of Chicago, School of Social Service Administration, Center for the Study of Welfare Policy. HEW #98-P-00500/5-03. (p. 47)

Smith, Vernon.
1974 Welfare Work Incentives. Lansing: Michigan Department of Social Services. (p. 69)

State of California, Health and Welfare Agency, Employment Development Department.
1974 California Community Work Experience Program: Second Annual Report, fy 1973-74. Sacramento: State of California Employment Development Department. (p. 100)

Subcommittee on Fiscal Policy, Joint Economic Committee, U.S. Congress.
1974 Income Security for Americans: Recommendations of the Public Welfare Security for Americans: Recommendations of the Public Welfare Study. 93d Cong., 2d Sess. Washington, D.C.: Government Printing Office. (pp. 102, 104)

Talmadge Amendments.
1971 U.S. Congress, House, Public Law 92-223, 92nd Cong., H.R. 10604, December 28. (p. 99)

Thompson, David L. and Miles, Guy H.
1972 Self-Actuated Work Behavior Among Low-Income People. Vol. 2. Minneapolis: North Star Research and Development Institute. DOL #51-25-69-06-2. (p. 21)

_____.
1972 Factors Affecting the Stability of the Low-Income Family. Vol. 3. Minneapolis: North Star Research and Development Institute. DOL #51-25-69-06-3. (p. 23)

_____.
1972 A Study of Low-Income Families: Methodology. Vol. 4. Minneapolis: North Star Research and Development Institute. DOL #51-25-69-4. (p. 21)

These three reports are concerned with orientations of about 6,000 low income and welfare heads of households across the country toward jobs and family life. Even with problems of sampling and measurement it appears that welfare recipients want to work, and do not show any gross psychological deviance from the normal although they are less confident and less secure than others.

_____.
1972 The Characteristics of the AFDC Population that Affect their Success in WIN. Vol. 5. Minneapolis: North Star Research and Development Institute, DOL #51-25-69-06-5. (pp. 23, 33)

About 1,100 black and white WIN females were followed for 12 months after their enrollment, trying to determine the factors that affected success. Because many were still in WIN at the end of 12 months, the findings were limited.

U.S. Department of Labor and U.S. Department of Health, Education, and Welfare.
1976 WIN at Work: The Work Incentive Program, Sixth Annual Report to the Congress. Washington, D.C.: U.S. Departments of Labor and Health, Education, and Welfare. (pp. 13, 100)

Watts, Harold.
1973 "The New Jersey-Pennsylvania Graduated Work Incentive Experiment." in Institute for Research on Poverty Research Report, March 1, 1973 to August 31, 1973. Madison: University of Wisconsin. (p. 91)

Watts, William and Free, Lloyd.
1973 State of the Nation. New York: Universe Books. (p. 75)

Wiseman, Michael.
1976 Change and Turnover in a Welfare Population. Berkeley: University of California, Department of Economics. (pp. 15, 47, 69, 86)